

OVERSEAS NEWS

Nigeria cools row over Dikko kidnap

By Andrew Gowers in Lagos NIGERIA appears to have made a determined effort to take the heat out of its row with Britain over the Dikko kidnapping affair.

Nigerian officials have consistently expressed the hope that both sides will allow the matter to subside. The trial of four men detained after the failed attempt to abduct Alhaji Umaru Dikko, the fugitive Nigerian politician, could inflame tensions.

Observers in Lagos remain puzzled by the peculiar virulence of the anti-British onslaught, which was probably the strongest outburst against the former colonial power since the 1960s. Many trace it back to a speech given by one of Nigeria's rulers—by coincidence on the day of the kidnapping—in which he attacked Britain to the British High Commissioner's face for various alleged political and economic slights.

Israeli polls show Labour ahead

BY OUR TEL AVIV CORRESPONDENT

THE OPPOSITION Labour Party has established itself as the favourite for Monday's Israeli general election but opinion polls suggest that forming a coalition government could be just as complicated as in the past.

Two polls published yesterday showed that Labour, whose lead over the Right-wing Likud Government seemed to be slipping, had pulled ahead again. They also reported, however, that small parties will capture between a quarter and a third of the 120 Knesset seats, raising the possibility of protracted coalition negotiations which will further delay long-awaited economic measures.

paper Yediot Ahronoth showed Labour winning 49 seats, Likud 37 and the remaining 34 shared by about a dozen factions. Another survey, a Gallup Poll in the newspaper Hadashot, reported the gap was bigger with Labour commanding 42 per cent support and Likud 28 per cent. The findings suggest there was only a slim chance Labour could put together a government without turning to the bickering religious parties.

could command a working majority. Likud was hoping the reclusive Mr Menahem Begin might make a dramatic campaign appearance tonight to drum up support. The former Prime Minister has stayed behind the shuttered windows of his small Jerusalem apartment since retiring 10 months ago. However, the chants of "Begin, Begin, Begin" at Likud rallies have been evidence of his abiding charisma, especially among Sephardim (Oriental Jews).

Bolivia seeks new delay on debt payments

BY PETER MONTAGNON, EUROMARKETS CORRESPONDENT

BOLIVIA has told its commercial bank creditors that it will need another three months before it can resume interest payments on its foreign debt that were stopped at the end of March.

Now Bolivia has told its "ore" bankers that it needs till mid-October to work out an economic programme acceptable to the unions, but the coordinating committee of creditor banks, chaired by Bank of America, has replied that it strongly opposes non-payment of interest during this period.

seemed resigned to receiving no further interest from Bolivia until the next meeting in mid-October. But some bankers warned that this leaves Bolivia vulnerable to a declaration of default by any single bank creditor during this period. A first round of talks between Mexico and its commercial bank creditors on a new rescheduling agreement was due to end in New York yesterday.

Moscow mounts its toughest Afghan offensive

PESHAWAR, PAKISTAN—This year's Soviet offensive against Moslem rebels in Afghanistan is one of Moscow's toughest, with more bombs, more troops and the clear aim of stopping villagers' support for the guerrillas, according to resistance leaders.

They said the Soviet army has also started "Sovietising" ground operations against the guerrillas, using more of their own commando units in place of the increasingly unreliable Afghan army.

the Panjsher Valley, north of Kabul, with unprecedented saturation bombing by about three dozen SU-18 "Badger" strategic bombers flown in from the Soviet Union.

The number of refugees inside Afghanistan has increased dramatically since Soviet aircraft began a campaign of indiscriminate bombing this spring in rebel-held regions around the main cities of Kabul, Kandahar and Herat, Pakistan-based guerrilla leaders said.

"The initiative is clearly in Soviet hands now. The situation looks bad for the Mujahideen (Islamic warriors)," said one Afghan. He asked not to be named while giving such a pessimistic assessment.

Several rebel sources said the Soviet Union appeared to have added about 30,000 men to the 105,000 troops estimated as its usual strength in Afghanistan. Other large-scale bombing campaigns followed in the western city of Herat, where Jamiat says more than 1,000 people have been killed this year.

the Khyber pass in their largest operation there since 1980, resistance sources said. About a week ago, a big Soviet column drove guerrillas off Tora Ghara, a fat-topped mountain overlooking one of the most heavily-used rebel supply routes from Pakistan into Afghanistan, they said.

West German and Swiss intelligence have long been suspicious of the dilatory way in which such Soviet lorries cross their countries, and their frequent "coincidental" stops near military bases.

Tug of war over Soviet diplomatic baggage

By Rupert Cornwell in Bonn

MOSCOW and Bonn were last night conducting an uncomfortable diplomatic tug of war over a Soviet lorry with nine tons of mysterious freight, which is being held by West German customs at the Helmstedt border crossing into East Germany.

The Soviet Embassy yesterday protested here about the lorry's hold-up. It repeated that the contents were crates of diplomatic baggage, and demanded that the vehicle be allowed to continue its journey back to the Soviet Union unhindered.

The West German Government was, however, insisting last night on greater details of the freight—apparently on the strong suspicion that it might be sophisticated ear-dropping equipment for use against Nato military installations.

When it crossed from West Germany into Switzerland at Basle nine days ago, the Swiss authorities demanded to see the contents. But the Russians refused, claiming they were covered by diplomatic immunity.

Eventually the vehicle was allowed to go on to its destination, but under customs seal. After both sides had refused to climb down, the lorry set out from Geneva back to Moscow, unopened and still under seal. It crossed back into West Germany on Wednesday.

Bonn, however, now wants to find out what is inside. The West Germans are demanding not to look into the "crates" themselves, but to see if they correspond to a checklist which they want the Russians to provide. This Soviet officials are refusing to do.

French Government plan for referendum on rights put in doubt

BY DAVID HOUSEGO IN PARIS

THE NEW French Government of Prime Minister Laurent Fabius yesterday formally withdrew the Socialist's controversial private schools Bill.

It was only in May that the Government made the Bill an issue of confidence before the Assembly. Last month over 1m people protested against it in a mass march in Paris.

Unsettled at the composition of M Fabius's administration contributed to a sharp fall in share prices on the Paris Bourse which shed 2.3 percentage points during the day.

The Cabinet approved on Thursday night the text of an amendment to the constitution which has now to be approved by both the Senate and the Assembly before being submitted to a referendum in September.

The Prime Minister will outline the Government's policies on Tuesday before seeking a vote of confidence in the National Assembly.

Unless the two houses can agree on the text of an amendment, no referendum can be held. In that case the Opposition would successfully sabotage President Mitterrand's project for a new test of public opinion through the risk of being blamed for putting political tactics first.

Air travel 'has become significantly safer'

BY JOHN WICKS IN ZURICH

TRAVEL by air has become significantly safer over the past few years, according to a study published by Swiss Reinsurance Company.

25 accidents with about 740 fatalities occurs annually. Aircraft value has risen 113 per cent in the period 1978-83 from \$1,082m (£792m). At the same time, hull premiums went up by only 93 per cent between 1978 and last year, meaning a fall from 0.47 to 0.43 per cent of fleet value.

Between 1978 and 1982, the number of fatalities dropped from 0.17 to 0.08 for every 100m passenger-kilometers flown.

This has meant unfavourable underwriting results for aviation insurers, Swiss Reinsurance says. With a loss ratio of even 80 per cent considered "by no means satisfactory", the ratio has exceeded 100 per cent in four of the past six years.

Age of sail returns—Japan style

IT WAS a grim time for nautical nostalgia buffs this week as the age of sail returned to the high seas, writes Robert Cottrell in Tokyo.

Aqua City, a 31,000-ton twin-masted freighter, gusted out of the Japanese port of Yokohama on its two-week maiden voyage to Vancouver.

It would be picturesque to report that its white sails billowed in the breeze as the vessel ran before the wind. However, Aqua City's two sails are of rigid vinyl chloride and polyester canvas, stretched taut on steel frames. Their angle to the wind is controlled, not by physical exertions but by computer.

Its sails serve as auxiliary motive power to the ship's conventional diesel engines. The shipbuilder, Nippon Kokan, says the auxiliary sails should provide useful energy savings. Nippon Kokan estimates that, with the ship maintaining an average speed of 14 knots, the sails could save 7 per cent of engine power in a wind of ten metres per second, and perhaps 30 per cent in a wind of 20 metres per second.

Japan set to pass communications Bills

BY ROBERT COTTRELL IN TOKYO

JAPAN'S House of Representatives yesterday approved three Bills providing for "privatisation" of Nippon Telegraph and Telephone Public Corporation (NTT), and curtailment of its monopoly powers.

Inter-party wrangling over anti-strike provisions in the NTT legislation was resolved on Thursday by the Diet's communications committee, which decided that restrictions on strike action should be "reviewed" in three years' time.

Four groups have declared their interest in providing nationwide common-carrier communications services in Japan following curtailment of NTT's monopoly powers.

The Japanese Government is expected to sell up to two-thirds of NTT's equity to private shareholders in the five years after enabling legislation is passed.

In its last published accounts, for the year to March 31, 1983, NTT showed equity capital equipment to \$19.3bn (£14.6bn), and reported net profits equivalent to \$1.5bn.

The last two companies, both of which are government-owned, want to exploit their existing road and rail networks as routings for optical fibre cables.

Olympic security leaves nothing to chance

HEAVILY-ARMED SWAT (Special Weapons and Tactics) teams are stationed at the airport.

Police patrols at the University of Southern California and University of California Los Angeles campuses have been stepped up as Los Angeles authorities put into action plans to make the 1984 Olympic Games the most secure ever.

Los Angeles' worst smog wave in a decade could have a serious effect on participants and spectators.

Under intense international pressure to ensure the safety of athletes and visitors, the Southern California city authorities are trying to leave nothing to chance.

Security efforts have been stepped up in response to threatening letters sent to several Olympic teams purportedly by the Ku Klux Klan.

Air-quality experts have called "first-stage alerts"—in which children and old people are warned to stay indoors—every day of the month to date.

Since the arrival last week of the 60-member Israeli team along with participants from China, South Korea and several other countries, the two university campuses that have been transformed into "Olympic villages" have been heavily guarded and closed to the public.

The U.S. State Department has said, however, that it believes the Soviet Union is responsible for the letters as part of its propaganda campaign against the L.A. Olympics.

Smog—a blanket of filthy air—has been lying over the city since the beginning of the month. With the opening of the Olympic Games just days away, it opens on July 28—there are growing fears that

Advertisement for Clydebank Enterprise Zone. Includes text: "Clydebank Enterprise Zone—a bright spot and important lever in Glasgow's industrial recovery". Lists development policy points, tax benefits, and results for the period to May 1984. Large logo for Clydebank Unlimited at the bottom.

Advertisement for Clydebank Enterprise Zone. Includes text: "Age of sail returns—Japan style". "Japan set to pass communications Bills". "Olympic security leaves nothing to chance". "Aid plan for U.S. steel under attack". "Business Opportunities in Clydebank". Large logo for Clydebank Unlimited at the bottom.

UK NEWS

Oil companies may seek price review with BNOG

By Ian Hargreaves and Dominic Lawson

MAJOR OIL companies have told the British National Oil Corporation that they expect to reopen talks about official third quarter prices for North Sea crude oil if spot prices do not improve in a few weeks.

The spot market yesterday was fractionally weaker for all grades of crude. "We shall attempt to buy Brent at \$27.75 on Monday and would expect to get \$27.90," said one trader.

contract by 20,000 b/d will force BNOG to sell even more crude on a depressed spot market.

No response in first year to inner city scheme

By Michael Cassell, Property Correspondent

THE GOVERNMENT-backed body set up by City institutions in 1983 to promote institutional investment in inner-city development schemes failed to generate any projects during the first year.

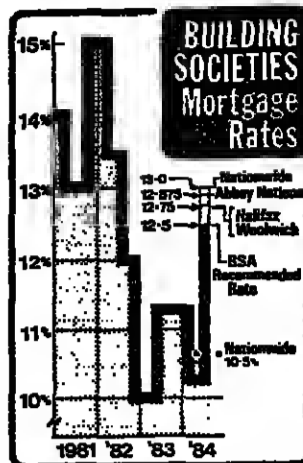
More than 50 institutions handed together to create the body - Inner City Enterprises - to succeed the Financial Institutions Group established by Mr Michael Heseltine, when he was Environment Secretary, following the 1981 inner-city riots.

Margaret Hughes on the collapse of the building societies' cartel Mortgage rivals bolt for freedom

THE GOVERNMENT'S Green Paper on building societies due to be published on Monday may be a case of closing the stable door after at least one of the horses has bolted.

The Royal Bank of Scotland and its sister bank, Williams and Glyn's, are increasing interest rates on repayment mortgages to 13 per cent and on endowment mortgages to 14 per cent from August 1.

Building societies have responded to the latest interest rate rise with a variety of strategies. Some have already raised their rates to 13 per cent, while others are still waiting for the Government's decision.



operate seven-day, 25-day and 90-day accounts; Abbey has only seven-day and 90-day accounts, but it offers a cheque book account which pays a 3/2 of a percentage point premium above the ordinary share rate.

Milk output falls below EEC quotas

By Richard Mooney

MLK PRODUCTION in Britain is below the level necessary to comply with production cuts ordered by the EEC from April.

In an effort to bring Community surplus under control and cut disposal costs, EEC farm ministers agreed in March on a quota system under which British production had to be cut by 61 per cent from the 1983 level.

Water rationing prospect for Wales and South-west

By David Heller

IN A MOVE to increase water supplies, engineers started yesterday to pump 1m gallons of water a day from a disused coal mine in south Wales, one of the areas worst affected by lack of rain.

However, demand for water in south-east Wales alone is 100m gallons a day, the Welsh Water Authority said.

MPs' mileage allowances favour users of big cars

By Kevin Brown

THE House of Commons yesterday backed a new car mileage scheme for MPs, despite complaints that it would lead to a rash of big cars in the members' car park.

The system introduces a sliding scale for claims up to 20,000 miles a year. MPs with 1,300 cc cars will receive 16p a mile, those with cars up to 2,300 cc will receive 25.5p and those with even bigger cars will get 36p.

National Savings suspends issue

By Clive Wolman, Savings Correspondent

The 27th issue of National Savings certificates, which was announced by rising interest rates within a month of its launch in April is to be suspended.

The Department for National Savings announced yesterday increases of up to 2.75 per cent in the interest rates paid on its certificates, investment bonds and income and deposit bonds.

Engineering sales fall 1.5%

By Ian Rogger

TOTAL SALES by engineering industries fell 1.5 per cent in the three months to April compared with the previous three months, and new orders were down 0.5 per cent.

In the mechanical engineering sectors, new orders were up 3 per cent, but in the instrument and electrical engineering sectors they fell 3 per cent, according to Trade and Industry Department figures.

Rolls-Royce plans Bentley revival

By John Griffiths

ROLLS-ROYCE MOTORS has launched a campaign to revive the popularity of its Bentley marque. It unveiled two models yesterday. One of them, at £49,497, costs nearly £8,000 less than any existing car produced by the company.

Sites begun for Nissan suppliers

By Kenneth Gooding, Motor Industry Correspondent

LOCAL authority officials in the north-east of England revealed yesterday that they are convinced that Nissan will go ahead with the £300m second stage of its UK car project that they are already preparing substantial sites for component suppliers whom the Japanese group is expected to attract to the area.

Table of Base Lending Rates for various banks including A.B.N. Bank, Allied Irish Bank, Amro Bank, etc.

Until the end of May, sales in the UK were running at about 40 per cent of late 1970s levels. They rose sharply in June, however - a result, according to Mr Peter Ward, the marketing director of resuming production for the UK. He said the UK market had previously been starved of supplies while production for the U.S., now Rolls-Royce's single largest market by far, was built up.

Money Market Cheque Account from Bank of Scotland

Do you want? High Rates of Interest • No notice of withdrawal • A cheque book to give you easy access • A Bank of Scotland Visa Card for smaller purchases • The security of a major UK Clearing Bank

Form for opening a Money Market Cheque Account with Bank of Scotland, including interest rate details and application form fields.

UK NEWS

LABOUR

Tax avoidance schemes threatened

BY CLIVE WOLMAN

SCHEMES to allow the elderly to pass on wealth without paying capital transfer tax have been threatened...

The schemes depend on a combination of two artificial life assurance policies, neither of which can be justified actuarially...

That case involved the attempted avoidance of capital gains tax. There has been no ruling on how the principle would apply to capital transfer tax...

Mr Percival, of Save & Prosper said: "We have been given no explanation for the delay. There is no difference between our scheme and earlier ones."

BCal gives jobs pledge to BA staff

Sir Adam Thomson, chairman of BCal, said yesterday that his airline was prepared to offer jobs to BA staff involved in the routes transferred and aircraft purchased.

Sir Adam was replying to the statement by Lord King, chairman of BA, that if the full transfer of European and long-haul routes proposed by the Civil Aviation Authority were implemented...

BMW challenges survey findings

BY JOHN GRIFFITHS

THE PRICES of some BMW cars are lower in the UK than in Belgium or West Germany, according to the managing director of BMW (GB)...

For the purpose of his comparison, Mr Layzell worked on exchange rates of DM 3.72 and Bfr 76 to the pound.

Unable to give the pre-tax Belgian price of a left-hand-drive 320i, but using Mr Layzell's exchange rate, the car's maximum price in Belgium would be £8,523.

APPOINTMENTS

New chief for Institute of Directors

Sir Kenneth Corfield, has been elected president of the INSTITUTE OF DIRECTORS. Sir Kenneth, who is chairman and chief executive of Standard Telephones and Cables...

TYRE & RUBBER CO (GREAT BRITAIN) will be retiring from September 30. He will be succeeded by Mr G. E. Lawrence, managing director of Tyre Services Great Britain.

Northern Ireland. His appointment takes effect August 1.

INTERNATIONAL. Mr Aldred replaces Mr Michael Beadmore, who has been named vice president of marketing for Masslor Systems Corporation...

UK CONVERTIBLE STOCK 21/7/84

Table with columns: Name and description, Size (\$m), Current price, Terms, Conversion dates, Flat yield, Red yield, Premium, Current Range, Income, Dividend, Current. Rows include British Land, Hanson Trust, Slough Estates.

Today's Rates 11 1/4% - 12% 3i Term Deposits. Includes a grid of interest rates for terms 3-10 years.

SAVINGS OFFERS. Lazard Brothers & Co. Limited, Allied Hambro Financial Management, EBC Trust, Britannia Group of Unit Trusts, Towry Law & Co. Limited, Save & Prosper Group, Hill Sammel.

EETPU wins sole rights at Hitachi TV plant

By Robin Reeves, Welsh Correspondent. THE ELECTRICIANS' union EETPU and Hitachi have agreed a radical industrial relations package...

It has, however, made more than 400 people redundant since taking full control of the factory from GEC earlier this year.

Some were TCWU members, stuck away from home with limited funds or knowledge of a foreign language.

By Thursday, the pressure was coming from sources closer to home. On the M20, continental and British drivers going to the continent had found their way to the port and were making it clear that they were unhappy with the way the older dock labour scheme ports...

Closed shop grey area highlighted. By David Brindle, Labour Staff. A BALLOT on a closed shop agreement at a small Leeds company has highlighted an area of possible contention in the Government's employment legislation.

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Confrontation countdown for drivers and dockers

John Lloyd reports how a week's conflict at Dover built up to breaking point

THE 520 dockers at Dover came out on strike on Monday on a narrow margin. The 60:40 vote in favour of obeying the Transport and General Workers Union call was disputed, and though the margin was clearly in the union's favour, the tensions surrounding the decision never left.

Some were TCWU members, stuck away from home with limited funds or knowledge of a foreign language. The half dozen stewards manning the Portakabin in Dover docks did not like being blamed for making them suffer.

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By late afternoon, the port's management told the drivers—then more than 150 strong—that they could drive their trucks to a compound in the docks where there were showers and restaurant facilities. The move was humanitarian but—as the stewards pointed out—brought the threats and the pressure that much nearer and greatly increased the drivers' leverage over the port.

By Thursday, the pressure was coming from sources closer to home. On the M20, continental and British drivers going to the continent had found their way to the port and were making it clear that they were unhappy with the way the older dock labour scheme ports...

At the same time as Mr Green and the stewards were faced with making a rapid choice, talks were grinding on in London at the offices of the Advisory Conciliation and Arbitration Service.

Stoppage tested strength of transport union's solidarity

A FULL ANALYSIS of who won the two-week national dock strike—if union delegates call it off today—must await disclosure of the settlement terms. Preliminary conclusions can however be drawn on what the dispute has demonstrated about dockers' strength and solidarity.

In the late 1960s and early 1970s docklands were a byword for militancy, unofficial strikes and occasional violence. But voluntary redundancies have cut the registered workforce from 41,000 to 13,700 in the past 12 years...

By Thursday, the pressure was coming from sources closer to home. On the M20, continental and British drivers going to the continent had found their way to the port and were making it clear that they were unhappy with the way the older dock labour scheme ports...

The Government and employers can conclude therefore that if there is something they want to do at the risk of confrontation—such as abolish the 37-year-old statutory dock labour scheme—there is still the chance of turning the tide of a national strike after a couple of weeks.

As the increase in the age profile of dockworkers once ran 12 football teams. Now they have none. With an average age of 46, London's 3,000 dockworkers are more likely to be seen on the golf course or the bowling green.

Seamen suspend ban on Sealink freight

THE National Union of Seamen decided yesterday to suspend its week-old ban on the movement of Sealink freight traffic. The ban was called off—at least for the time being—while the union talks with the company's new owner, Sea Containers.

The decision which followed settlement of the dockers' dispute earlier yesterday, paved the way for an end to disruption at UK ports. It was taken unanimously by the 16-strong union executive.

long-running campaign against privatisation. Five days later, Mr Nicholas Ridley, the Transport Secretary, announced in the Commons that Sealink, a British Rail subsidiary, was being sold.

Strike vote called at creameries

ALMOST 5,000 creamery workers are to vote on a call for strike action against any compulsory redundancies resulting from EEC milk quotas.

Mr Garfield Davies, an Usdaw national officer, said the aim of the ballot was to win support which would deter Dairy Crest from proceeding with any compulsory redundancies.

Since the job loss targets had been disclosed on July 2, a number of workers had volunteered for early retirement and others had begun to plan to leave the industry.

Spit in it

THE WEEK IN THE MARKETS

Time to watch the grass grow

LONDON ONLOOKER

FACED WITH striking miners and dockers, institutional investors seemed happy enough to sit and watch the grass grow this week.

Thorn's rights

The prize for the underestimation of the week surely belongs to the executive of Thorn KMI who said "we have got to restore credibility" within the City.

But for the present those whose business it is to try and predict the market's next move are finding their crystal balls unusually cloudy.

Given the uncertainties that surround the market a lot of institutions are letting the cash balances roll up rather than commit fresh funds to equities.

Not for the first time there are grave doubts about the direction of the market.

The abortive attempt to acquire British Aerospace left the market stunned, despite the group's attempt to present a case for industrial logic.

Equally nobody seems to be willing to push the sell button. It is easier to sit back and see what happens next.

Putting aside the question of whether Inmos will eventually prove to be a well judged purchase or not, the timing of the rights issue was anything but well judged.

Now it may be that the market is totally misjudging Inmos and that Thorn's share price has overreacted.

As for British Aerospace, it seems to be getting a rough experience with its new suitor, GEC.

factorer has published estimates of its half-time figures (publicly from £36.5m to £50m) for the benefit of shareholders and GEC alike.

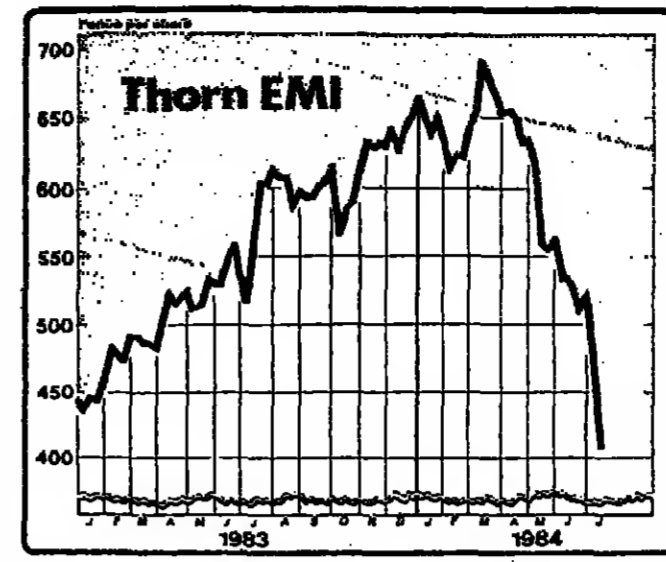
Nippy NatWest

The bank's shares have been performing well after the lower rate increase but National Westminster slipped in a timely reminder this week of the damage inflicted on the clearer's balance sheets by Mr Lawson's March Budget.

A round of rights issues from the clearer's has looked a strong possibility for some time.

Nevertheless, the issue, within days of Thorn's £140m call (though obviously for totally different reasons), caught the market off guard.

NatWest has clearly stolen a march on its rivals, Barclays Bank is considered as a likely candidate for a cash call.



fast changing financial markets. Is NatWest really thinking of buying an insurance company, as some of the rumours would suggest?

A poor copy

After the disappointing half-time figures from Ciesinger this week shareholders would be forgiven for wondering if the long awaited recovery will ever appear.

The statement contained more than one unexpected surprise. In the UK there was a trading loss of £67,000 compared with a £1.6m profit.

No southern comfort

Distillers had forecasted the market at the office stage, when profits had slipped from £8.5m to £6.5m, but the full year would be down.

Import restrictions, which in some cases raised market's tonnage, severely affected exports, particularly to South America.

Inflation fears

ONE OF THE THEORIES which have been carrying the hopes of the optimists through a pretty gloomy summer's trading on Wall Street, is that second quarter profits would put some sparkle back into shares.

With about half the reporting season already over, most companies have come in at around market expectations.

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NEW YORK

TERRY DODSWORTH

figure that Salomon was recently forecasting.

On the other hand, the market has shown itself deeply sensitive to bad news.

Merck, the industry leader, Eli Lilly and Upjohn all came under attack, either as a result of analysts' reports or actual results.

The earnings figures reported by the industry this week were all up, but not by enough for Wall Street, which wants something better than a 6 to 7 per cent increase in the present climate.

The buzz on Wall Street is that the GNP figures may be revised for the second quarter to show growth of around 6.5 per cent against the initial 5.7 per cent estimate.

Monday 111.6 + 6.98 Tuesday 1112.90 + 6.07 Wednesday 1111.64 - 11.26 Thursday 1102.92 - 8.72

support the lofty rating which had pushed the shares at one time up to \$104, and which even now, at \$80, has the company on a historic price/earnings ratio of about 13, against around 12.5 for the overall market.

On Wednesday, Upjohn was downgraded even more sharply, taking its shares down to \$68, against a high of \$71, as analysts responded negatively to the price cuts on its spectacularly successful Motrin anti-arthritis drug now under pressure from Rufen, marketed by Bausch of the UK.

Elsewhere, manufacturing industry has been showing every sign of maintaining its recovery, as opposed to electronics-based, capital formation. But it is still beginning to give these sorts of companies a boost.

But for the time being it is the Wall Street pessimists, or at least the worriers, who are holding sway in the market.

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MARKET HIGHLIGHTS OF THE WEEK

Table with columns: FT. Ind. Ord. Index, FT. Gold Mines Index, Applied Botanic, Barzatz Developments, Butterfield-Harvey, Charter Cons., Distillers, Dixons Group, Eglington Oil & Gas, Equity & Law Life, Halma, Hollis Bros. & E.S.A., Hunting Petroleum, ICI, Leech (Wm.), Pilkington Bros., Rowntree Mackintosh, Sun Life Assce., Thorn EMI, Vinten. Includes price change and 1984/1983 data.

A phoenix takes to the skies

IT MAY SEEM fanciful to combine in one sentence a bird, the quintessential attribute of which is soaring freedom, and the deepest mine in the world, but there is something decidedly Phoenix-like about the recovery in the fortunes of South Africa's Western Deep Levels gold mine.

right in line with the share market's expectations. Although this phoenix has risen from the ashes of last year's fire, the recovery is not yet complete.

MINING

GEORGE MILLING-STANLEY

places affected by the fire currently being reopened, ore grades will rise further in the present quarter, and the mine expects to be back to normal by the time the results for the three months to September are announced.

Despite the bumper uranium income in the June quarter, Western Deep is still going ahead with plans to cease production early next year.

The uranium plant will not remain idle for long. The mine intends to spend some R35m on converting it to the treatment of gold ore, and it has been estimated that Western Deep's tonnage could rise from the present annual rate of 2.8m tonnes to perhaps 7m tonnes over the next five years as a result.

This near-doubling of treatment capacity would come onowhere newly to increasing gold output by the same amount, as

much of the extra capacity would be used in treating low-grade surface material, but it would nevertheless have a considerable impact on profits.

Western Deep Levels is a high-grade gold mine, and the speed of its recovery from last year's fire is impressive, suggesting sound management.

That bodes well for the mine's future, which is put at around 40 years. This phoenix still has a long way to fly.

Another factor was the extent to which adjustable capital expenditure affects the tax charge. A number of the mines were able to report higher net profits following lower tax charges consequent on increased spending on the capital account.

Here, the young operations Elandsrand and Deelkraal suffered in comparison with their more mature sisters, as they do not yet suffer mining tax against which to offset their rising capital expenditure.

In many cases, mine working costs were higher in the latest quarter, following the wage awards to white workers. Wage costs should rise further in the current period, but the extent of this will be impossible to assess until the dispute with the black National Union of Mineworkers is settled.

The other main point to emerge from the June quarter's results was one that has been repeated many times in this column, but is worth saying once more. The only time to invest in the more marginal mines, those usually aging operations with low gold grades and high working costs, is when the gold price is rising steadily.

Then, the poorer-quality mines gain from their higher gearing to the gold price, and share prices rise faster than those of the richer operations.

Only the richer mines, however, can cope with a slurr or falling gold price. The performance of Kloof, Vaal Reefs, Driefontein Consolidated, Randfontein Estates, Harmony, Hartbeestfontein and Western Deep Levels in the latest quarter bears eloquent witness to this proposition.

much of the extra capacity would be used in treating low-grade surface material, but it would nevertheless have a considerable impact on profits.

Western Deep Levels is a high-grade gold mine, and the speed of its recovery from last year's fire is impressive, suggesting sound management.

That bodes well for the mine's future, which is put at around 40 years. This phoenix still has a long way to fly.

Another factor was the extent to which adjustable capital expenditure affects the tax charge. A number of the mines were able to report higher net profits following lower tax charges consequent on increased spending on the capital account.

Here, the young operations Elandsrand and Deelkraal suffered in comparison with their more mature sisters, as they do not yet suffer mining tax against which to offset their rising capital expenditure.

In many cases, mine working costs were higher in the latest quarter, following the wage awards to white workers. Wage costs should rise further in the current period, but the extent of this will be impossible to assess until the dispute with the black National Union of Mineworkers is settled.

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GOLD MINE NET PROFITS

Table with columns: Mine Name, June quarter, March quarter, December quarter, September quarter. Lists mines like Blyvooruitzicht, Bracken, Buffelsfontein, Deelkraal, Driefontein, Durban Deep, Erso, East Rand Pty, East Transvaal, Elandsrand, Kloof, Groeniveld, Harmony, Hartbeestfontein, Kloof, Leslie, Lithium, Loraine, Maricopa, President Brand, President Steyn, Randfontein, St Helena, Southern African Land, Sillfontein, Unisel, Vaal Reefs, Venterfontein, Village Main, Vlakfontein, West Rand Consolidated, Western Areas, Western Deep, Western Holdings, Winkelbank.

GOLD MINE DIVIDENDS

Table with columns: Mine Name, June, Dec, June, Dec. Lists mines like Blyvoor, Buffels, Deelkraal, Driefontein, Durban D, ER Prop, Elandsrand, Elsburg, Gravel, Hartbeest, Kloof, Libanon, Randfont, SA Land, Sillfontein, Venterfont, West Rand, Vlakfont, W. Areas, W. Deep, W. R. Cons., Zandpan.

FINANCE AND THE FAMILY

An unexpected gift

BY OUR LEGAL STAFF

On December 6 1982 one of our worthy city institutions (Registrars to an investment trust) sent me a cheque for £64,991 in error. At that date I had neither the time nor the inclination to investigate the matter.

On December 10 1982 I paid the cheque into my current account and on December 17 1982 I placed the amount on seven-day money market deposit.

I received a telephone call in January 1983 from our worthy institution asking if I had received the cheque and explaining the error. I stated that I had and indicated my willingness to repay the amount in any manner they desired.

The managing director said he was coming in Liverpool the following day and on his way would call to collect my cheque. This was done. I told him that the amount had been placed on deposit (stating that I thought I was a better custodian of the funds than his company and pointing out that I could have had the funds out of the country and irrecoverable within a couple of hours of receipt) and he stated that I should "accept the interest as a Christmas present from and with the compliments of the company."

My cheque was cleared on January 19 1983 and consequently I incurred interest charges on my current account of approximately £150.

Was the money market interest my income or was it in the nature of a gift?

Should I declare the interest as income to the Inland Revenue and would I be able to offset the interest paid on my current account if I am required to declare the money market interest as income?

We think that the interest is not income but a sum which is equivalent to a gift or reward. If it were interest, the current account debit interest should be capable of being set off.

Repointing a wall

The brick wall on the South West boundary of my garden is in need of maintenance. I therefore sought and obtained a quotation from a builder to rake out defective pointing to the brickwork and repoint in cement mortar. I approached my neighbour seeking permission for the builder to carry out this maintenance on

my neighbour's side of the wall. After some procrastination, I was told that my request would be considered and that I would be informed in due course if permission were granted. In view of the foregoing, I am particularly interested to learn how one may legally gain access to and carry out normal maintenance on a building, wall or the like when this abuts a neighbour's garden.

In law there is no automatic right of entry to point or otherwise maintain a wall; but a right will readily be inferred if it can be proved that entry has in fact been effected for the purpose of maintenance over a period exceeding 20 years.

A late demand

During April 1982 (approximately) I made my final payment to solicitors handling my case for services rendered (the account was for over £1,000). In April 1984 this year—on the 19th of April to be precise, my solicitor wrote me a letter, the text of which I now reproduce:

"On checking through our Accounts, it has come to light that our books appear to show the sum of £43.80 due from you. Further investigation reveals that you did pay this sum but for some reason which is not immediately clear your cheque went astray and was never paid in.

We must apologise profusely for the delay involved and for any inconvenience to you, but we wonder whether you could assist in clearing our books by letting us have a new cheque for £43.80."

I have now received a further demand letter dated 15th June 1984, which states:

"We refer to our letter of the 19th April to which we do not seem to have received a reply. We would be obliged if you would now let us have your remittance for £43.80 as soon as possible."

I consider this attitude unreasonable and high-handed, especially as I did not go out on my way to evade my payment responsibly at the due date. I have no intention to research payment details at this late date for a situation created by someone's else's negligence.

If it is correct that the cheque was not collected for whatever reason—then you have not paid the sum in question. We think that you would be en-

titled to offer to draw a fresh cheque on the undertaking of the solicitors to indemnify you against any payment on or claim made under the original cheque, and on their agreeing that you should deduct the amount (if any) of the cost to you of correspondence over the matter.

No retirement relief

I practiced dentistry in a house owned jointly by my mother and myself until enforced retirement because of disability at age 56 in 1980. I would have liked to have sold the house to my success but at the time he had not the means. Now in 1984 we have sold the house to him, after my 40th birthday.

Half the house was let as private flats and the ground floor and basement rooms used in the dental practice. A capital gain has resulted from the sale. I should be grateful if you would tell me whether I can offset my sale/gain "at age 60 following retirement" (although not immediately so) of business premises against CGT in part at least.

It is a pity that you did not think to seek tax guidance from the solicitor who acted for you in the sale of the property. It probably would not have made much difference to his or her conveyancing bill.

No retirement relief is due, but did you ever live in the house? If so, ask your tax inspector for the free pamphlet CGT4 (Owner-occupied houses).

Legal aid for neighbours

Three years ago we had new neighbours who erected a 6 ft 6 in high fence alongside the whole of our conservatory, blotting out a good deal of light.

We tried to explain that we were entitled to the right of light as the place was about 25 years old but they are not the types who will sensibly discuss a matter and come to some mutual arrangement.

The matter ended in court after the neighbours had consulted no fewer than three firms of solicitors. The barristers concerned were disgusted when they realised the defendants had applied for an emergency legal aid certificate; they declared that

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

legal aid was not meant for trivial matters such as neighbours' disputes. Eventually, we reached a settlement without having to go before the judge and my husband paid his own costs. No much later we learned that the neighbours had been awarded a full certificate. Soon after that they bought a new car, had some more garden fencing, a new front door, a garage door replaced and some other items. I don't wish to sound as though I were grinning for them, but how does a legal aid committee decide who shall have help?

The legal aid committee assesses the income and capital of an assisted person and makes special deductions to arrive at the disposable income/capital available. Thus, for example, the value of the assisted person's residence is left out of account. As the items which you mention may have been bought on credit there is not a great deal which can be inferred from them.

A single transaction

What constitutes a "single transaction" as specified in the bankers' card conditions? I have had several cheques returned unpaid R/D or "not drawn" in accordance with the cheque card, although they are dated and covered by a valid cheque card at the time of acceptance, and presented within six months of date.

The argument presented by the bank is that, because the cheques are repayments of a loan, they do not represent a "single transaction," although the branch manager agreed in writing that the monthly repayments of a building society mortgage would be considered as a "single transaction."

I fail to see the distinction, as my held cheques represented monthly repayments of a loan, in the same way as a mortgage repayment.

It is a question of fact in each case what constitutes a single transaction. If the loan is expressed to be repayable by instalments payable at different stated times, we would think that the cheque for each repayment is related to one transaction, viz. the instalment in question.

It's no bovver

Unlisted Securities Market

GRADUATION HONOURS this week go to Wight Collins Rutherford Scott, the USM's first and only pure advertising agency, which is applying for a full listing 18 months after its arrival on the market.

The group, which coined the Birimid Qualeast slogan, "it's a lot less bovver than a bovver," has not exactly let the grass grow under its feet since its formation five years ago. It provides a classic example of how the extra publicity gained from a stock market quotation can help a small company win more business.

WCRS has expanded from four breakaways from other advertising agencies operating out of a rented flat to an employer of 115 people with billings of nearly £27m, making it the 24th largest agency in the land.

Since its market debut, WCRS has seen its shares climb from an initial 150p placing price to a peak of 458p earlier this year. They have sunk back since then, but last week's announcement of an 85 per cent increase in pre-tax profits to £955,000 for the year to April sent the price up 25p to 400p, where the group is valued at £12.8m.

WCRS marked the beginning of the most recent in a series of waves of entrepreneurial creative stars splitting away from larger agencies to form their own ventures, like Valin Follen, the advertising and public relations group set up in 1979 by two Charles Barker City men, which joined the USM in January.

Peter Scott, WCRS's managing director and a former Marsteller director, argues that while being on the USM has not been a direct influence on bringing in extra business, "it has given us an extra stature and permanence. It provides some guarantee to our clients that we are not going to sell out to the Americans next week."

In the past year, the group took on £8m-£10m of new billings from ITC, Sharwoods, Duckhams and Quantas among others. It has just been awarded a £10m media buying contract from Bass to commence in October. WCRS is among four agencies in the running for an £8m-£9m

contract to take on British Rail's advertising from Allen Brady Marsh, due to be announced in two weeks. Even if the group fails to land that project, the City is expecting it to make £1.25m before tax this year.

Now that WCRS has become a substantial force in the industry, does it run the risk of being at the wrong end of the next exodus of talent? Like many other "people businesses" on the USM, WCRS encourages employees to buy its shares, in an attempt to build up their loyalty, so that nearly 95 per cent of the staff now have an equity stake in the business.

"The idea is to give them a stronger commitment to the company," says Scott.

Holiday blues

IN SPITE OF a continuing stream of new arrivals, the USM remains in a sluggish mood.

A week ago, the Datastream USM leaders' index sank through the psychologically important 100 barrier to a low for the year of 94.2, climbing back only marginally in the past few days to around 95. Jobbers report that turnover has declined by some 50 per cent from the previous week's total of £25m, itself well below the record £56.5m achieved in the second week of April.

As investors get increasingly choosy, company sponsors have been forced to scale back issue prices further, and it is perhaps a result of brokers' caution that new issues are going to—albeit unexciting—premiums more easily than they were a month ago.

The market showed that it still has an appetite for high-technology stocks of the right quality when DDT Group, a microcomputer maintenance company, immediately rose 7p above its 137p placing price on Monday, climbing towards 160p later in the week.

Entertainment Production Services, which leases video tapes, got a cooler reception the following day, when it kicked off at an 8p discount to its 58p offer for sale price.

Berkeley Group, an unmarket housebuilder, and Britannia Security, an alarm systems supplier, went off at premiums of 14 per cent and 5.5 per cent when deadlines in their shares opened on Thursday.

William Dawkins

The Royal Bank of Scotland

Mortgage Rates

The Royal Bank of Scotland plc announces that with effect from 1 August 1984 its Mortgage Rate will be 13 per cent per annum and its rate for New Endowment Mortgages will be 14 per cent per annum.

WRESTLING WITH RECOVERY

A recent series of features on a cross-section of British manufacturing industry set out to illustrate how they had coped with the worst recession since the '30s and how they viewed the future.

Senior executives of the following companies were interviewed by FT journalists: Tootal, Armstrong Equipment, DRG, Brown Boveri Kent, Perkins, Sheerness Steel, Croda, IML, Digico, Alean, Plessey, Kenwood, Dubilier and Gestetner.

These features have been reprinted in a booklet, priced £3.50, available from: Nicola Banham, Financial Times, Publicity Department, Bracken House, 10 Cannon Street, London EC4A 4BY.

If you want to know more about portable pensions, ask the same people the Government did.

Throughout the Government's recent inquiry into portable pensions, Legal & General gave information and advice on how people could have greater freedom in choosing their own pension arrangements.

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YOUR SAVINGS AND INVESTMENTS

CAPITAL TRANSFER TAX

The dangers of living to 105

CLIVE WOLMAN looks at a possible threat from the taxman to your wealth

YOU MAY be nursing the ambition of living to the age of 105.

But tell that to the men from the Inland Revenue and they will probably suspect you've got a tax dodge up your sleeve. The Revenue's Capital Taxes Office apparently believes that your chances of reaching 105 are so remote that it is denying approval to mass-market a tax avoidance scheme which has so far attracted nearly £400m of individuals' wealth. The scheme depends on a life assurance policy which matures only if you reach your 105th birthday.

The taxman's refusal to approve at least two versions of the scheme submitted by Royal Life and Save and Prosper in the past six months has cast doubt on the efficacy of most of the off-the-peg plans to avoid capital transfer tax.

The possibilities for handling on your wealth to your children and grandchildren without giving the taxman a cut are in danger of being drastically curtailed.

The difficulty is caused by a clampdown on artificial tax avoidance schemes initiated by the House of Lords in a series of judicial rulings culminating in a case in February. The Inland Revenue is now giving indications that it will be applying the principles of the judgments against CTT avoidance schemes.

In the good old days of estate duty, life was simple—at least it was if it went on for at least seven years after you had passed on most of your wealth or put it into a discretionary trust controlled by yourself. Then you could avoid paying

the duty no matter how valuable the estate.

Insurance companies would even allow you to take out a policy to cover the risk that you might die before the seven years were up.

Capital transfer tax was designed to block up this loophole by taxing large gifts made at any stage in life. But the legislation has allowed for so many exemptions that if your eye is on the right side of 55 and your wealth on the wrong side of £1m, you should be able to avoid the tax completely.

The trouble is that you may have to start giving away large chunks of your wealth immediately to make use of the exemptions. These allow you to give away tax-free £64,000 every 10 years plus a further £3,000 every year.

However, particularly over the last three years, several types of tax avoidance scheme have sprung up. Their common objective is to allow you to appear to be making gifts of your wealth, exploiting the exemptions to the full. But in fact you can continue to draw an income from the assets you are supposed to have given away—and can change your mind about who should ultimately receive your wealth.

The scheme which appears to be most vulnerable is one marketed by four insurance companies. It received Inland Revenue approval before the present freeze. These are Legal and General, Merchant Investors, Property Growth Assurance and Trident Life. You "give away" your assets immediately but only by putting them into a trust which you effectively control.

However you continue to receive the income from the assets, which substantially reduces the value of the gift for tax purposes. The younger and healthier you are and the longer you can expect to live, the more the gift will be dis-



and thus less vulnerable. But not completely.

In most versions the donor makes only a tiny gift to a trust controlled by himself but tops that up with an interest-free loan. The loan is then invested and all the returns accrue to the trust outside the donor's estate. After about 20 years, the loan is repaid, but without interest. This leaves the donor's CTT exemptions intact to be used to make other, straightforward gifts.

The loan to the trust may be considered a genuine act of benevolence by the donor to the beneficiaries of the trust (typically his children)—and not made to avoid tax. The only artificial part is the fact that it is interest-free.

The Inland Revenue may consider that the donor in fact intends to make a gift of all the income or returns to be derived from investing his loan over, say, 20 years. But he achieves this by inserting a step, the interest-free loan, which is designed purely to dress up the gift as a non-gift for CTT purposes and thus avoid tax.

Thus all the returns from investing the loan could be deemed to be a taxable gift, undermining the whole purpose of the scheme. As the scheme, to be fully effective, needs to last for 15 to 20 years, clients may not be protected fully by the inhibitions against applying the new principle of tax law retrospectively.

Robert Venables, a barrister who specialises in tax law, is sceptical about the chances of the Inland Revenue winning such arguments against either CTT scheme. The loan in the inheritance trust has been made in reality, he says, and it cannot just be disregarded as though it never existed.

Moreover, the returns from investing the loan cannot be considered a genuine gift as the loan can be recalled at any time by the donor.

As far as the discounted gift scheme is concerned, however, Venables does admit a doubt. "For people who want to play it absolutely safe and be free of hassles," he says, "there must be a question-mark over the schemes."

counted. The aim will normally be to reduce its value to below the £64,000 exemption level.

If you survive 10 years, your estate is wiped clean and you can make another £64,000 gift tax-free (plus £3,000 worth of gifts each year).

Normally, a gift of capital where the donor retains the right to the income does not count as a genuine gift for CTT purposes. Instead, the assets would continue to be included in the donor's estate until his death.

The "discounted gift" schemes however are designed to side-step this provision. They do so by combining two artificial life assurance policies which, individually, no self-respecting actuary would touch with an elongated slide-rule.

It seems likely that it is this feature of the scheme that the taxman regards as vulnerable to the House of Lords' judgement. This stated that in a composite transaction, any step inserted purely for the purpose of avoiding tax can be disregarded.

It would be difficult for the unfortunate clients of these schemes to claim that they had taken out a life assurance policy which paid out only if they lived to 105 because they thought it a good deal.

The truth is that if they were to survive to 105, they would be given a large CTT bill for their efforts.

However, those who have already invested in such a scheme may escape the wrath of the taxman as the Government has given assurances that the principles of the court ruling will not be applied retrospectively in most circumstances.

But you should be careful not to tinker around with the trust powers too much, for example by changing the ultimate beneficiaries of your gift, as this may vitiate the Inland Revenue's inhibitions against applying the principle retrospectively.

The other popular CTT avoidance scheme, usually called the inheritance trust, is less transparently artificial.

Which one?

With floating exchange rates the volatility of currency values has dramatically increased over the years. At the same time, the daily trading volume in the world's currency markets is 15 to 20 times greater than that of the world's stock markets.

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£1000 invested when the fund started on 12th September 1980 has grown to £1843.00 (16th July 1984) of which £389.00 has been distributed as income. This represents a total return of 84.0% in less than four years by investing *only* in different currencies.

Investment Date	Capital	Income
£1,000 invested on 15/9/80	£1,000	£0
£1,000 invested on 15/9/81	£1,000	£0
£1,000 invested on 15/9/82	£1,000	£0
£1,000 invested on 15/9/83	£1,000	£0

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PORTFOLIO PROFILE at 16th July 1984

The fund invests only in international bank deposits. The portfolio as at 16th July 1984 was as follows:

Yen Deposits	36%
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Dutch Guilder Deposits	14%
U.S. Dollar Deposits	7%
Sterling Deposits	10%
Total	100%

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Following the general upward movement in interest rates, it has become necessary to increase the Trustcard interest rate from 1.75% to 2% per month. Interest at the new rate will appear first on statements dated on or after 23rd August 1984. The cash advance service charge remains unaltered at 1 1/2% of the amount taken.

The Annual Percentage Rate of Charge (APR) has increased to 26.8% for purchases and, typically, for cash advances is 27.2%.

Condition 5 of the Trustcard Conditions of Use is amended accordingly. For further information, call at any TSB branch or write to the Trustcard Centre, Marefair, Northampton NN1 1TS.

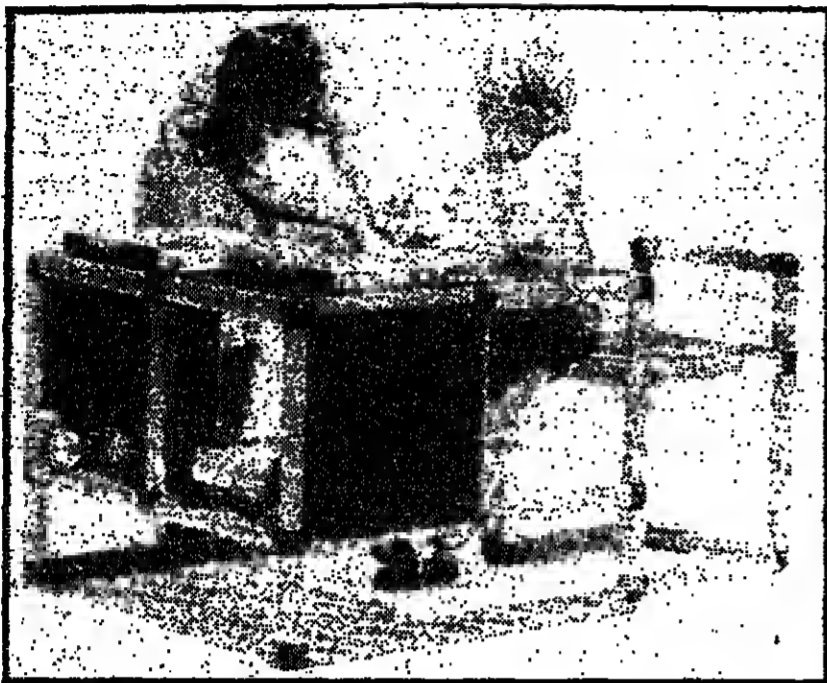
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HOW TO SPEND IT

by Lucia van der Post

PLAY TIME

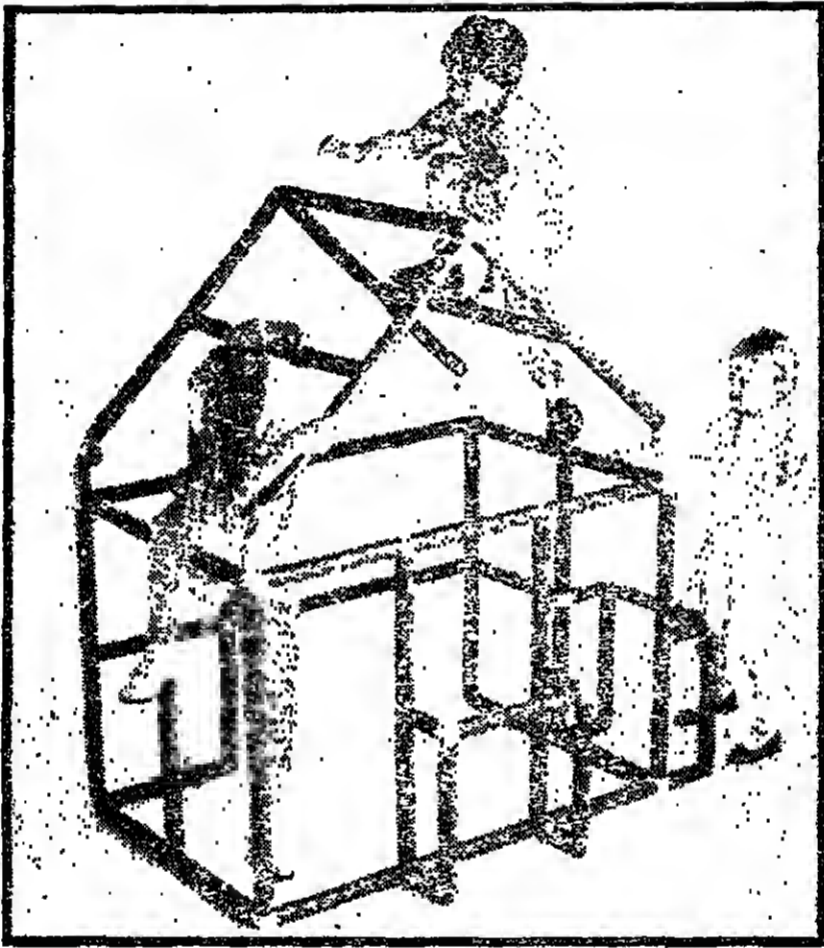
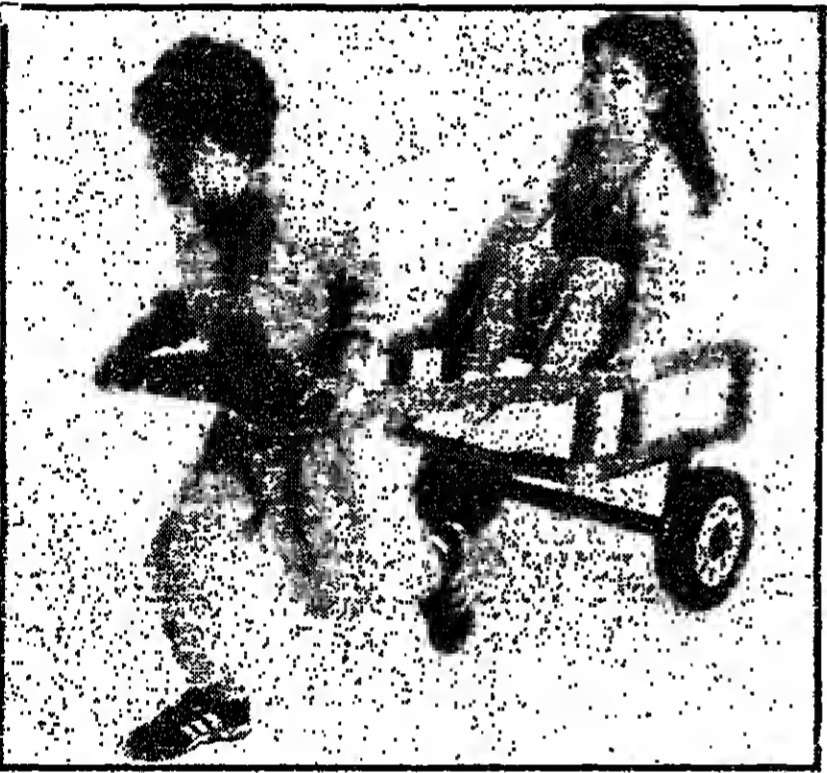
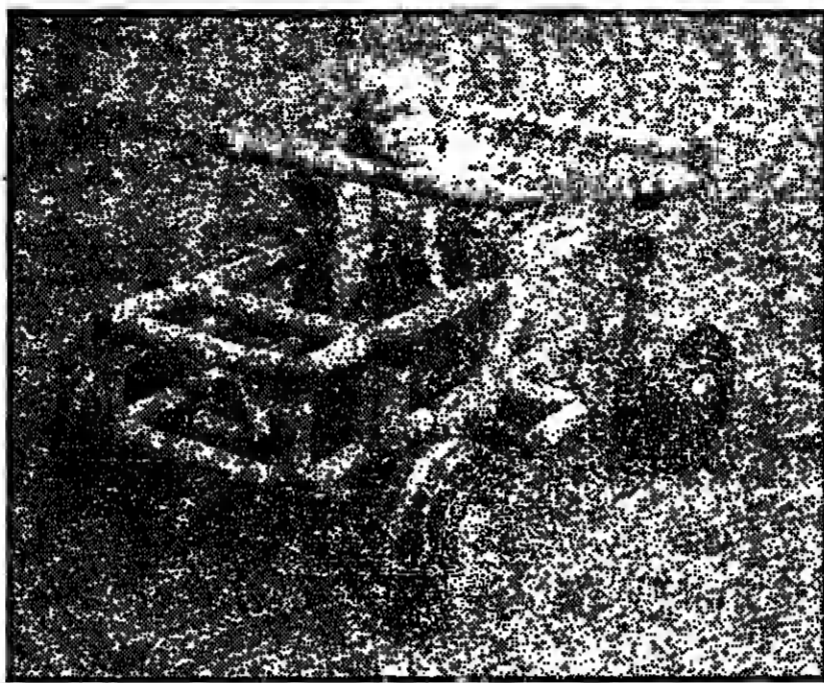


ABOVE: Use the Quadro kits to form a desk

ABOVE RIGHT: Here Quadro has been used to make an open car

RIGHT: Gympo's playhouse for indoors or out

BELOW: Gympo's two-wheeled rickshaw



BUILDING KITS

If you're thinking that now is the time to invest in some sturdy out-door play equipment and you can't quite make up your mind which to choose, take a good look at two systems photographed above—Quadro is featured in the two top pictures, Gympo below.

In the beginning there was Quadro. Invented by Hubert Ruetter a few years ago, it is basically a large scale construction kit which is sold in packs and for which there are several add-on packs which aficionados can buy at a later stage. It is

based on strong red polypropylene tubes which are locked together by black plastic screws (the system is patented) and most children over about four can join the tubes together but are likely still to need guidance from parents on the designs.

Quadro has become the market leader, is stocked by Hamleys, John Lewis Stores and Early Learning Centres, has been decreed a good thing by The Good Toy Guide, and it is

generally agreed has stood the test of time.

It is reckoned to be very strong and stable and with a starter kit costing £59.95 a small playhouse, slide or tunnel could be made. The Junior kit is £79.95 and offers more of the same so that everything can be made on a bigger scale while the Universal Kit (£99.95), the biggest one on offer, means the child can build a computer stand, an emergency

guest bed, a desk.

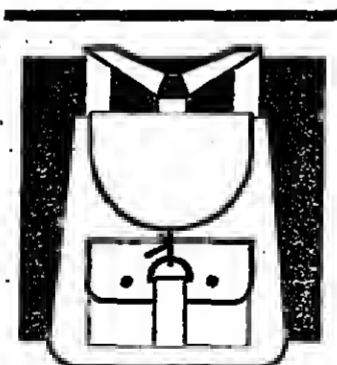
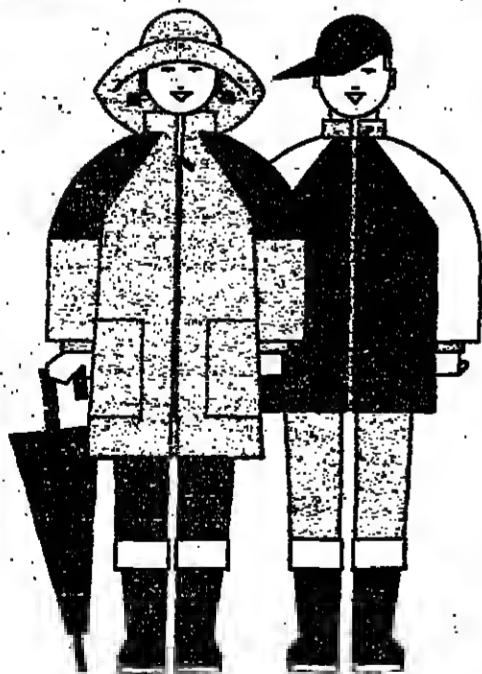
New this year is Gympo which looks very like Quadro indeed. Its founder is Bob Magid and he aimed to produce a construction kit which would be very easy for a child to use—Gympo's tubes are smaller than Quadro's and thus, claims Bob Magid, easier for a child to grasp and cope with. It is bright blue in colour and all the connectors are coded by colour. It, too, offers a great deal

of potential for constructing different play units—from push-carts to shop, slides to play-houses, it, too, has four kits, the cheapest being £30.95, the most expensive £99.95.

It is not as yet widely stocked but it can be seen at some W. H. Smith branches.

Anybody weighing up the merits of one against the other is best to think carefully about what they want it to do—Quadro seems to me much more solid, Gympo is lighter. Go and look for yourselves.

DRESSING UP



ABOVE: The Rambler rucksack from the Waterducks range

LEFT: Bright yellow and red rainwear by Waterducks

RIGHT: Old-fashioned charm from Penny's



MY MEMORY of holidays in Britain with small children is of an endless battle to keep them warm and dry and a dearth of garments which would do either job attractively. So it's good to see the arrival of some exceptionally attractive waterproof clothes for children—not only do they have the kind of panache and zing we usually associate (perhaps unkindly) with across the Channel, but they are based on an all-British invention, a new fabric which really does seem to do what its inventor claims that it does: keep out the water and wind but allow the air to circulate.

The fabric, Airtex, was evolved under the initiative of Waterducks founder Dennis Halls. It is very light to wear, isn't at all stiff like some traditional waterproof materials, but above all is completely impervious to water. Many waterproof materials

stitching, but the seams of Waterducks garments are welded by ultrasonic means so that water cannot leak through. Finally, the material can be hand-washed, machine-washed or dry cleaned.

Having evolved Airtex, Dennis Halls contacted Jim Gardner, who has been associated with Bernard and Laura Ashley for many years, and asked him to help design a range of children's rainwear which would be practical, appealing and different. The result is a stunning collection—all in bright, zingy primary colours like canary yellow, deep blue and red. The clothes are not just utilitarian cover-ups against the rain, they are eye-catching and attractive enough for many children to want to wear them whatever the weather.

westers and Macs, trousers and bomber jackets, dungarees and capes, as well as a whole series of useful extras, like the rambler rucksacks, (marvellous in bright yellow, edged in red), a duffle bag and peaked caps.

At the moment the range is just for children from about 18 months to 10 years but already plans are under way to use the fabric in a collection of rainwear for adults. Waterducks is mainly sold in rather exclusive stores like Harrods and Harvey Nichols of London SW1, Fortnum and Mason of Piccadilly, London W1, but it is hoped that it will be much more widely available shortly.

It is already a wow in the U.S. where Neiman-Marcus, Saks of Fifth Avenue, Macy's and Gimbels have all agreed to stock it. Over here prices for the sun/wester are about £9, dungarees about £24, capes

ENTIRELY different from Waterducks, which is about as modern and up-to-the-minute as you could hope for, is Penny's. Penny's clothes for the mini-set are based on a good dose of old-fashioned nostalgia.

Lurking in the family attics of Joliet Webster were boxes of baby clothes and small children's clothes that had survived in her family for more than 60 years. After the birth of her son she began to feel that something could be done with the designs—they seemed to her so attractive and well-made that she decided to see what she could do with the help of a wholesale fabric supplier, a skilled cutter and willing seamstresses.

The result is a charming but unashamedly nostalgic collection of clothes that seem to have sprung from the pages of Winnie the Pooh. Manny would approve. There's a

tie-back pinafore to wear over it with a sunbonnet. Then there's a real Christopher Robin sailor suit in white and navy, with the sun hat that gives it the authentic look.

Also in the collection is a gingham sunsuit with a matching sun-hat for small babies (up to 18 months) and Lord Faunteroy rompers in red or navy and gingham with a white frilled collar and white gathered sleeves.

The collection—as you can see it is tiny—is geared just to under five-year-olds but the prices are very good. The sailor suit costs £5.95 for the two pieces and £2.50 for the hat. The gingham dress is £2.20, the pinafore, £2.75 and the matching knickers, £1.50. The long rompers are £4.25 and the baby's sunsuit, £2.50, the blouse, £1.95 and the sun-hat, £2.60.

For a leaflet write to Penny's at 52 Queen's Road, Westchester, Middlesex TW20 0EX.

FIZZY DRINKS

SUMMER days are thirsty days and, as every parent knows, the cost of fizzy drinks can send the blood pressure soaring. A timely moment,



then, to see what the two major fizzy drink machines, Soda Stream (photographed right) and the latest arrival, Big Soda (left), have to offer. And who better to test them out than an enthusiastic and impartial nine-year-old, Emma Bell.



“THE first time I tasted a Soda Stream drink it was made by an 80-year-old colonel in the country. His Soda Stream is 4 ft 6 in high and 70 years old! I've loved Soda Stream drinks ever since.

I have just tested the new Soda Stream 101 and its rival Big Soda. I think Soda Stream 101 was a lot better than Big Soda. There is a great difference between them. The reasons why Soda Stream 101 is much better are:

It has very good clear instructions. The instruction booklet also tells you how to mend it if it goes wrong. Big Soda's instructions are much harder to understand.

With Soda Stream 101 it is quick and easy to make a fizzy drink, whereas with Big Soda it is much harder to make a drink and it also takes longer. We may have been doing something wrong but we could not get much fizz out of the Big Soda at all and without fizz it tasted disgusting!

With Soda Stream you can get more than 20 flavours. My favourite is ginger beer and I also like lemonade and lemon and limeade. I tried Indian tonic water. I liked it a bit but it is really an adult drink. I did not like cola at all. Big Soda came in several flavours but I did not like the two I tried very much because I couldn't get any fizz.

Big Soda takes one 11m siphon of gas to make one drink (at least we could only get one drink per siphon). If you want

to make another drink you have to remove the siphon and put another one in which is very fiddly. With Soda Stream 101 the big long cylinder of gas makes 100 8-oz bottles of drink.

I recommend Soda Stream 101 to any children who like fizzy drinks, and want to make them themselves. It saves a lot of money for parents and it also means that children can have a drink whenever they want to.

Another good thing about the Soda Stream is that when you want a new cylinder you just take the old one and exchange it at a cost of £2. (A new cylinder costs about £10.) Big Soda's siphons have to be bought in packages.

Emma Bell

WELL, there you have it, one very perceptive consumer's personal survey of the two major fizzy drinks machines on the market. Parents might like a few more practical details.

Soda Stream costs about £24.95, Big Soda about £20. Soda Stream's syrups are £1.99 a litre, Big Soda's £1.90. Soda Stream offers about 31 different syrup varieties (including blackcurrant, cola, Canada dry mixes, Emergen, I Cal, Tizer etc). Big Soda offers only four of its own brands (cherryade, lemonade, orange or cola) but with the machine you can use any of the other concentrates on the market (including Soda Stream's) and, of course you can use wine to make a spritzer.

Soda Stream is rather bigger and more solid and you have to take the cylinder to the shop to exchange it (for £2.20) when it runs out. With Big Soda you use 8 gm soda (Sparklets type) bulbs for each litre of drink and you buy them in packs of 10 (£1.70) which you just throw away when finished—therefore you don't have to worry about running out of fizz in the middle of a party. Being lighter and more portable you can take it with you to a barbecue or on a picnic more easily. It also makes its drinks in larger quantities—a litre as opposed to Soda Stream's half litre. Soda Stream has been at it longer and therefore has a well-established retail system so you can buy the concentrates almost everywhere.

Working out the comparative costs are not easy but Big Soda reckons 1 litre of fizzy drink costs about 34p, Soda Stream estimates 26p.

RAINY DAYS

Few summers get by without the inevitable rainy day and the equally inevitable cry of "There's nothing to do." My own children were always singularly averse to anything that smacked of arts and crafts and began to back off as soon as the coloured paper and beads came out but some of you must have much more amenable offspring for whom Rodney Peppé's book, Make Your Own Paper Toys would be just the thing. It has 10 different toy suggestions—from pop-up clown cubes to tumbling acrobats, from folding hexagon puzzles to revolving pyramids. The results are colourful, amusing and genuinely attractive. If you want to keep it up your sleeves for real emergencies make sure you read the introduction first so that you have supplies of the materials on hand (these aren't elaborate but they are essential).

in Next week's FT

On the Management Page—Stay in money broking, but not much else, R.P. Martin sees a need to broaden its base

On the Technology Page—Architects are coming to computer plots and how the home robots will replace dog and cat as a pet

See the Arts Page for reviews of Happiest Days of your life/Barbican Ratepayers Iolanthe/Southbank

plus a 20-page survey on Japan on Monday

The FT brings you the information you need—read it every working day.

No FT... no comment

Companies and Markets

UK COMPANY NEWS

Cowan de Groot improves to £0.88m

PROFITS HAVE continued to recover at Cowan de Groot in the 12 months to April 30, 1984. On a turnover of £2.7m lower at £26.6m, pre-tax figures climbed from £224,000 to £380,000 and Mr D. Cowan, the chairman, says the group's sound financial base and management resources makes him confident of further improvement.

potentially profitable footing by the end of the year under review. In the current year, no group trading companies are budgeted to generate losses. Loss-making companies can no longer be tolerated in the organisation, Mr Cowan states.

former satisfactory profitability remains top priority. On the electrical and hardware side, Richard Kelley continues to enjoy successful trading and is maintaining its traditional pattern of promoting the sale of special items. It has just concluded a substantial purchase of large stocks of Kamasa tools, which is expected to be sold profitably within the current year.

a £1m reduction in operating costs, however, and a £228,000 positive swing on the interest account — mainly thanks to further trimming of stock levels — pre-tax profits have nearly quadrupled. Loss-makers have been abandoned and all subsidiaries are now on a profitable footing. All this, as the management is found of reminding itself, is a mark of the considerable discipline which has kept the group alive while toy companies around it have been collapsing.

Record result for Black Arrow at over £1m

Pre-tax profits of the Black Arrow Group exceeded £1m for the year to March 31, 1984, for the first time, and the chairman is confident that figure will be surpassed in the current year.

Brunning lower but set for upturn

Pre-tax profits of Brunning Group held firm at around £200,000 in the second half of the year to March 31, 1984. This halted the decline of the first six months and paves the way for an upturn in 1984/85.

Real Time Control falls to £0.82m

A SECOND-HALF downturn at Real Time Control left pre-tax profits lower at £817,000 for the year to March 31, 1984, against £854,000 previously.

Promising trend at Electronic despite setback

Pre-tax profit for the six months to March 31, 1984, at Electronic Machine, fell from £2,705 in £14,997, largely due to a loss of over £500,000 at its Britannia Tool subsidiary.

Strong first half at Target Life

EXCELLENT new business figures in the first six months of 1984 are reported by Target Life — the life assurance operation of the newly-independent Target Group.

Waddington wins first battle

John Waddington, the packaging and printing group, yesterday won the first phase of its battle to issue a £5.2m rights issue.

Boulton & Paul

A substantial increase from £7.5m to £9.75 in pre-tax profits is reported by Boulton & Paul, a member of the BEI Group.

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Dividends Announced

Table with columns: Company, Current payment, Date, Corro. of spending, Total year, Total last year

Company News in Brief

The strivings price for the offer for sale of 1.8m shares of Compsoft, the software house, has been set at the minimum tender price of 120p by Kleinwort, Benson.

Company News in Brief

Acceptances were received for 11,42m shares out of the 11.8m shares issued, representing 95.3 per cent of the shares offered.

Take-over bids and deals

Despite a storm of protest from Labour MPs, the National Union of Seamen and European Ferries, operators of the Townsend Thoresen ferry fleet, British Rail's Sealink subsidiary was sold to Sea Containers, the Bermuda registered U.S. container leasing company, for £60m cash.

Summary of the Week's Company News

Table with columns: Company bid for, Value of bid per share, Market price, Price before bid, Value of bid, Bidder

Script Issues

Ellis & Everard — One for two. Wight Collins Rutherford Scott Holdings — One for one.

Bristol Evening profits up sharply

FOLLOWING a 566,000 lift in newspaper publishing and printing at Bristol Evening Post, pre-tax profits rose sharply from £1.55m to £2.45m for the 12 weeks to the end of March 1984.

Fate of Beazer bid for Leech to emerge today

AFTER 59 days of hard slog, a 24-hour extension until 3.30 pm today should be sufficient to decide the fate of William Leech, the Newcastle housebuilding group, fighting to avoid succumbing to a £21.45m bid from C. H. Beazer (Holdings).

Each side changed its takeover tactics radically yesterday as the bid entered what looked to be its penultimate stage. The offer was due to close by mid afternoon but Beazer, having won that one-day extension, finally dropped its aloof disdain of market purchasers and sent its broker, L. Messel, into the market to buy whatever stock it could find in non-assorted form.

Offers for sale, placings and introductions

Berkeley Group — USM placing of 1.47m shares at 85p per share. Hill Woodgar — Has raised £3m through a placing of 2m shares at 150p each.

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Fenner claims improved prospects

J. H. Fenner, the engineering group which is opposing a £1.7m takeover by Hawker Siddeley, argued yesterday that it is on course for profit growth and lower borrowings despite the short-term detrimental effects of the British miners' strike and civil unrest in India.

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WORLD STOCK MARKETS

NEW YORK

Table listing various stocks and their prices in New York, including ACF Industries, AMCA, AMER, etc.

STOCK

Table listing various stocks and their prices, including Alcoa, Alcan, Aluminum, etc.

STOCK

Table listing various stocks and their prices, including Amstar, Amstar, Amstar, etc.

WALL STREET

Article titled 'Firm start fails to hold' discussing market performance and stock prices.

WALL STREET

Continuation of the article 'Firm start fails to hold' with further market analysis.

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Table listing various stocks and their prices in New York, including ACF Industries, AMCA, AMER, etc.

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Indices section with various market index values and trends.



Companies and Markets

FOREIGN EXCHANGES

Dollar firm

The dollar was firmer in currency markets yesterday and its trade weighted index equalled the record high attained on Wednesday of 136.9 up from 136.8 on Thursday. Demand for the dollar was based on rumours that next week's U.S. second quarter GNP figures would be revised upwards, giving rise to fears of firmer U.S. interest rates in order to control any possible increase in money supply and inflation.

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CURRENCIES; MONEY and CAPITAL MARKETS

THE POUND SPOT AND FORWARD

Table with columns: July 20, Day's spread, Close, One month, % Three months, % Six months. Includes data for UK, Ireland, Netherlands, Belgium, Luxembourg, France, Germany, Italy, Spain, Portugal, Greece, Austria, Switzerland, Japan, Sweden, Norway, Denmark, Finland, and others.

Rates ease

UK interest rates were easier yesterday on news of a probable settlement in the UK dock strike and sterling's better performance. The softer tone showed little true depth, however, with background concern over the possibility of firmer U.S. interest rates and the continuing miners' strike inhibiting any concerted downward move.

MONEY MARKETS

LONDON MONEY RATES table with columns: July 20 1984, Starting Certificate of deposit, Local Authority deposits, Company Deposits, Market Deposits, Treasury (Buy), Treasury (Sell), Eligible Bank (Buy), Eligible Bank (Sell), Five Year Treasury (Buy), Five Year Treasury (Sell).

Discount Houses Deposit and Bill Rates

Table with columns: July 20 1984, Starting Certificate of deposit, Local Authority deposits, Company Deposits, Market Deposits, Treasury (Buy), Treasury (Sell), Eligible Bank (Buy), Eligible Bank (Sell), Five Year Treasury (Buy), Five Year Treasury (Sell).

OTHER CURRENCIES

Table with columns: July 20, £, \$, Note Rates. Includes Argentina, Australia, Brazil, Canada, Denmark, France, Germany, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, and others.

THE DOLLAR SPOT AND FORWARD

Table with columns: July 20, Day's spread, Close, One month, % Three months, % Six months. Includes US, Canada, Mexico, Central America, Caribbean, and others.

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UK clearing banks' base

UK clearing banks' base lending rate 12 per cent (since July 12-13) affecting the market including around £150m with factors maturing assistance and a take up of Treasury bills together totalling £77m. There was also the unwinding of previous sale and repurchase agreements which account for a further £302m and there was a rise in the note circulation of £245m. In addition banks brought forward balances £10m below target.

FT LONDON INTERBANK FIXING

Table with columns: LONDON INTERBANK FIXING (11.00 am, July 20), Three months U.S. dollars, Six months U.S. dollars. Includes Old 11/16, Offer 12/16, Bid 12/12, Offer 12/15.

AMERICAN MARKETS

Table with columns: July 20, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, O-mark, French Franc, Italian Lire, Belgian Franc, Yen, Danish Krone. Includes Short term, 3 months, 6 months, 1 year, 2 years, 3 years, 4 years, 5 years.

EXCHANGE CROSS RATES

Table with columns: July 20, Pound Sterling, U.S. Dollar, Deutsche Mark, Japanese Yen, French Franc, Swiss Franc, Dutch Guilder, Italian Lire, Canadian Dollar, Belgian Franc.

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EURO-CURRENCY INTEREST RATES

Table with columns: July 20, Starting, U.S. Dollar, Canadian Dollar, Dutch Guilder, Swiss Franc, O-mark, French Franc, Italian Lire, Belgian Franc, Yen, Danish Krone. Includes Short term, 3 months, 6 months, 1 year, 2 years, 3 years, 4 years, 5 years.

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COMMODITIES AND AGRICULTURE

WEEKLY PRICE CHANGES

Table with columns: Commodity, Latest price, Change, High, Low. Includes Metals (Aluminum, Copper, Lead, Nickel, Silver), Grains (Wheat, Corn, Soybeans), Oil (Crude Oil, Gas Oil), and other commodities.

REVIEW OF THE WEEK

World sugar price hits 21-month low. Values on the London Mee Exchange (LME) were mostly up on the week. Cosh high grade copper ended £16.25 up at £1,030.75 a tonne after being influenced by another large fall in LME warehouse stocks last week.

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GOLD MARKETS

Table with columns: Gold Bullion, Gold Futures, etc. Includes Gold Bullion (London), Gold Futures (London), etc.

LONDON FUTURES

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World sugar price hits 21-month low

BY OUR COMMODITIES STAFF

World sugar prices fell to the lowest level since October, 1962, this week with the London daily price (LDP) slipping to £89 a tonne at one stage. In dollar terms the world price reached its lowest since 1971. This week's decline reflected the physical market and prospects of a recovery in world output following the widespread droughts which hit production last year.

Values on the London Mee

Exchange (LME) were mostly up on the week. Cosh high grade copper ended £16.25 up at £1,030.75 a tonne after being influenced by another large fall in LME warehouse stocks last week.

BASE METALS

But the market strengthened yesterday afternoon on renewed concern about the lack of good quality West African coconuts to European markets and the September price, which had slipped to £1,744.50 a tonne at one time, ended £5 up on balance at £1,782.50 a tonne.

ALUMINIUM

The biggest rise of the week was for cash zinc, which ended £39 higher at £665 a tonne. Once again speculative buying was a major influence as a 3,525 tonnes fall in LME stocks to 60,125 tonnes prompted fears of a renewed tightening in nearby supplies.

NEW YORK

Gold and silver values came under pressure from reports of a possible increase in the U.S. Federal Reserve's gold holdings. The U.S. Federal Reserve is maintaining a tight monetary policy aimed at keeping interest rates high and reducing inflationary pressures.

CHICAGO

Grain prices were mostly steady in Chicago. Wheat prices were firm, while corn prices were slightly weaker. Soybean prices were also steady.

POTATOES

Potato prices were mostly steady in London. The price of white potatoes was firm, while the price of red potatoes was slightly weaker.

INDICES

Financial Times indices were mostly up on the week. The FT 100 index rose to a new high, while the FT 250 index was also up.

REUTERS

Reuters news reports from various markets. Gold prices were firm, while oil prices were slightly weaker.

MOODY'S

Moody's credit ratings for various companies. Most ratings were unchanged, while a few were upgraded.

DOW JONES

Dow Jones industrial average was up on the week. The index closed at a new high, reflecting gains in most sectors.

SOYABEAN MEAL

Soyabean meal prices were mostly steady in London. The price of soyabean meal was firm, while the price of soyabean oil was slightly weaker.

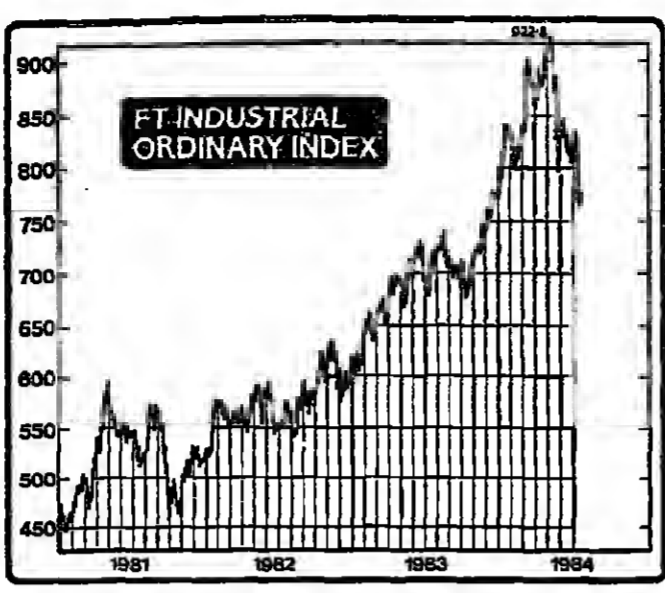
LONDON STOCK EXCHANGE

MARKET REPORT

Equities and Gilts gain ground on dock strike peace formula; FT 30-share index advances 11.5 to 776.2

Account Dealing Dates
Option
*First Declara- Last Account
Dealings Date Dealings Date
June 15 June 28 June 29 June 9
July 2 July 13 July 23
July 16 July 26 July 27 Aug 6

national's sparkling debut.
buyers appeared for other Lloyds
Brokers. Closing gains ranged
to double figures with Willis
Fabre notable at 670p and 17
at 850p. C. E. Heath added 10
to 457p as did Stewart Wright-
son to 885p. Minet gained 7
at 165p and Sedgwick appreciated
5 at 268p. Hogg Robinson closed
6 dearer at 182p; the annual
results are scheduled for July
30. Conditions in the life sector
were a lot calmer after the
recent spate of speculative buy-
ing on takeover hopes. Sun Life
a particularly active counter of
late on talk of a large stake in
the company changing hands.
improved a further 670p, net-
closing a few pence easier on
the day at 665p. Ahead of Tues-
day's half-year figures, Britannic
softened a couple of pence to
500p, while Pearl improved 7
at 500p. General 2 to 497p, after
502p.



Advanced 10 to 295p following
a generally encouraging response
from both the Press and leading
brokers to the preliminary
results.
Nearly all the excitement in
Buildings came after hours when
the share price of housebuilder
William Leech jumped 38 to
match the C. E. Beazer bid price
of 145p after the latter extended
its offer for one day and
instructed its brokers L. Messel
to acquire Leech non-assented
shares in the market at 145p per
share. This followed news that
Beazer had received acceptance
for its offer representing 33.8
per cent of the Leech equity,
which, when added to Beazer's
existing holding, increased the
latter's stake in Leech to 45.4
per cent. The situation was
enhanced further by Lloyds
Bank International buying
100,000 Leech shares at 145p
per share in order to stop
Beazer gaining control.

based Waskon acquiring a con-
trolling interest.
Rothmans International were
wanted in belated response to
Thursday's annual results and
rose 5 to 138p.
Berkeley advance
Interest in Oils was mainly
centred on a couple of second-
ary issues. A mixture of bid
rumours and exploration hopes
hoisted Berkeley Exploration 10
to 125p, while further considera-
tion of the 17th sale of a drilling
platform encouraged renewed
strength in Hunting Petroleum
which touched 144p prior to
closing a net 12 up at 142p.
Worries over the recent de-
cline in North Sea oil prices and
Texas's decision to reduce pur-
chases of crude from ENOC
prompted nervousness through-
out the oil majors. The general
upturn in equities following the
dock strike settlement, how-
ever, encouraged sufficient buy-
ing interest to leave most issues
virtually unchanged on the day.
Charter surge ahead
Charter Consolidated re-
mained the focus of attention
in mining markets following a
Press suggestion that the com-
pany is about to sell off a
number of shareholdings includ-
ing the recently acquired 29.9
per cent interest in Row and
Charter's shares jumped a
further 20 to 245p—a week's
gain of 35—while Johnson
Matthews, in which Charter holds
27.9 per cent, surged 24 to 238p.
Cape Industries, 67.3 per cent
owned by Charter put on 5 to
82p.

FINANCIAL TIMES STOCK INDICES

Table with columns for indices: Government Sec, Fixed Interest, Industrial Ord., Gold Mines, Ord. Div. Yield, Earnings, Div. Yield, Div. Ratio, Total Returns, Equity Turnover, Equity Bargains, Shares traded. Includes dates from July 30 to July 1984.

HIGHS AND LOWS S.E. ACTIVITY

Table showing Highs and Lows for various sectors like Govt. Sec, Fixed Int, Ind. Ord., Gold Mines. Includes S.E. Activity with columns for Daily, 10-day, and 30-day averages.

LEADERS AND LAGGERS

Table listing Percentage changes since December 30, 1983, based on Thursday, July 19, 1984. Lists various sectors and their percentage changes.

OPTIONS

Table listing Options for various stocks including Ford, Glaxo, Barratt, etc. Columns include Last Deal, Last Declara, Last Settlement, etc.

RECENT ISSUES

EQUITIES

Table listing Recent Issues and Equities with columns for Issue No., Price, etc. Includes various company names and their share prices.

FIXED INTEREST STOCKS

Table listing Fixed Interest Stocks with columns for Issue No., Price, etc. Includes various bond and interest-bearing securities.

"RIGHTS" OFFERS

Table listing Rights Offers with columns for Issue No., Price, etc. Includes various companies offering rights issues.

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Large table showing FT-Actuaries Share Indices. Columns include Equity Groups & Sub-sections, Fri July 20 1984, and Highs and Lows Index. Lists various actuarial-related sectors and their share prices.

FIXED INTEREST

Table showing Fixed Interest rates and yields. Columns include Price Indices, Average Gross Receipts Yields, and various interest-bearing instruments.

Table showing British Government Index-Linked Stocks. Columns include All stocks, Inflation rate, and other government-linked securities.

NEW HIGHS AND LOWS FOR 1984

Table listing New Highs and Lows for 1984. Columns include New Highs (9) and New Lows (71) for various sectors.

RISES AND FALLS

Table listing Rises and Falls in stock prices. Columns include Yesterday's Rise/Fall, On the week, etc.

ACTIVE STOCKS

Table listing Active Stocks with columns for Stock, Closing Day's Change, etc. Includes various active trading securities.

THURSDAY'S ACTIVE STOCKS

Table listing Thursday's Active Stocks with columns for Stock, Last Change, etc. Includes various active trading securities.

5-DAY ACTIVE STOCKS

Table listing 5-Day Active Stocks with columns for Stock, Last Change, etc. Includes various active trading securities.

Journalist

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from the Thursday's Stock Exchange Official List and should not be reproduced without permission.

STERLING ISSUES BY FOREIGN GOVERNMENTS

Table listing foreign government issues in sterling, including countries like Australia, Canada, and New Zealand.

COMMERCIAL INDUSTRIAL

Table listing commercial and industrial companies and their stock prices.

CORPORATION AND COUNTY

Table listing corporation and county-related stock deals.

UK PUBLIC BONDS

Table listing UK public bonds and their market prices.

FOREIGN STOCKS

Table listing foreign stocks from various international markets.

CORPORATIONS - FOREIGN

Table listing foreign corporations and their stock prices.

BANKS DISCOUNT

Table listing bank discount rates and related financial data.

BREWERS

Table listing breweries and their stock prices.

UTILITIES

Table listing utility companies and their stock prices.

COMMONWEALTH GOVT.

Table listing Commonwealth government securities.

FOREIGN STOCKS

Table listing foreign stocks and their market performance.

CORPORATIONS - FOREIGN

Table listing foreign corporations and their stock prices.

BANKS DISCOUNT

Table listing bank discount rates and related financial data.

BREWERS

Table listing breweries and their stock prices.

UTILITIES

Table listing utility companies and their stock prices.

UNLISTED SECURITIES

Table listing unlisted securities and their market prices.

PROPERTY

Table listing property-related financial data and transactions.

RULE 163 (2)

Applications granted for specific bargains in securities not listed on any exchange.

RULE 163 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland.

PLANTATIONS

Table listing plantation companies and their stock prices.

RAILWAYS

Table listing railway companies and their stock prices.

SHIPPING

Table listing shipping companies and their stock prices.

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration.

EUROPEAN OPTIONS EXCHANGE

Table listing European options exchange data.

FT-CITY COURSE

Table listing FT-City course details and dates.

LONDON TRADED OPTIONS

Table listing London traded options data.

EUROPEAN OPTIONS EXCHANGE

Table listing European options exchange data.

LONDON TRADED OPTIONS

Table listing London traded options data.

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LONDON TRADED OPTIONS

Table listing London traded options data.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Tr. Mgrs. (a), British Group-Continued, and others, with columns for fund names, managers, and performance metrics.

FT UNIT TRUST INFORMATION SERVICE

Main table of FT Unit Trust Information Service, listing numerous unit trusts like Britannia Group-Continued, Key Fund Managers Ltd. (a)(g), and others, with detailed columns for fund names, managers, and performance data.

Table listing various insurance and financial services, including City of Westminster Assurance, General Purpose Life Insurance, and others, with columns for company names and service details.

Large advertisement for 'This space....' featuring text about advertising opportunities, contact information for Hugh Sutton at Bracken House, and a stylized signature at the bottom.

INSURANCE, OVERSEAS & MONEY FUNDS

Self-insured

Table of insurance and overseas funds including Liberty Life Assurance Co Ltd, National Provident Institution, and various international investment funds.

Table of insurance and overseas funds including Swiss & Prager Group, Target Life Assurance Co Ltd, and various international investment funds.

Table of insurance and overseas funds including CAL Investments (IOM) Ltd, Capital International Fund, and various international investment funds.

Table of money market and trust funds including Money Market Trust Funds, Money Market Bank Accounts, and various international investment funds.

OFFSHORE AND OVERSEAS

Advertisement for offshore and overseas services.

NOTES

Disclaimer and notes regarding the accuracy of the financial data.

FT LONDON SHARE INFORMATION SERVICE

2 Day Management Training Programme Time Manager Stress Manager

BRITISH FUNDS Table with columns for Fund Name, Price, Dividend, and Yield.

Five to Fifteen Years Table listing various investment funds and their performance metrics.

Over 15 Years Table listing long-term investment funds.

Undated Table listing funds without specific dates.

Index-Linked Table listing funds linked to various indices.

CORPORATION LOANS Table listing various corporate loan offerings.

COMMONWEALTH AND AFRICAN LOANS Table listing loans from Commonwealth and African countries.

LOANS Table listing general loan offerings.

Public Board and Ind. Table listing public board and industrial loans.

FOREIGN BONDS & RAILS Table listing foreign bonds and rail investments.

AMERICANS

AMERICANS Table listing American stocks and their prices.

BEERS, WINES - Cont. Table listing beer and wine stocks.

BANKS, HP & LEASING Table listing bank and leasing stocks.

CHEMICALS, PLASTICS Table listing chemical and plastic stocks.

DRAPERY AND STORES Table listing drapery and store stocks.

BEERS, WINES & SPIRITS Table listing beer, wine, and spirit stocks.

DRAPERY & STORES - Cont.

DRAPERY & STORES - Cont. Table listing drapery and store stocks.

BUILDING INDUSTRY, TIMBER AND ROADS

BUILDING INDUSTRY, TIMBER AND ROADS Table listing construction and infrastructure stocks.

ELECTRICALS Table listing electrical industry stocks.

FOOD, GROCERIES, ETC. Table listing food and grocery stocks.

ENGINEERING - Continued Table listing engineering stocks.

HOTELS AND CATERERS Table listing hotel and catering stocks.

HOTELS - Continued

HOTELS - Continued Table listing hotel stocks.

INDUSTRIALS (Miscel.)

INDUSTRIALS (Miscel.) Table listing various industrial stocks.

Just in time

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high, low, and volume.

LEISURE—Continued

Table of leisure stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high, low, and volume.

PROPERTY—Continued

Table of property stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high, low, and volume.

INVESTMENT TRUSTS—Cont.

Table of investment trusts including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high, low, and volume.

GIL AND GAS—Continued

Table of oil and gas stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high, low, and volume.



MINES—Continued

Table of mining stocks including companies like British Airways, British Petroleum, and British Telecom, with columns for stock price, high, low, and volume.

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

SHIPPING

SOLES AND LEATHER

SOUTH AFRICANS

TEXTILES

FINANCE, LAND, ETC

TOBACCO

TRUSTS, FINANCE, LAND

PROPERTY

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MISCELLANEOUS

NOTES

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

REGIONAL & IRISH STOCKS

Options 3-month call rates

Finance

Diamond and Platinum

Central African

Main body of the financial page containing various stock market data, including company names, prices, and financial metrics across multiple columns.



expansion, (ik'apanshen), n. a risky game that can be highly profitable. To maximise chances of success, move to Scarborough and gain major benefits. [C17: from New Latin expansionem heavenly opportunity].

MAN IN THE NEWS Europe's committed crusader

BY DAVID HOUSEGO A LITTLE TIRED, a watery smile on his face, M Jacques Delors, the outgoing French Finance Minister, yesterday handed over control of the French Treasury to M Pierre Beregovoy, his successor. In a brief ceremony in the gilded rooms of the Rue de Rivoli, M Beregovoy paid tribute to him in saying that over the past three years he had left "his personal stamp on the economic life of France and on the policy of the government."



Jacques Delors and Roy Jenkins after a period of weak leadership. It comes at a time when the EEC has finally rid itself of the demoralising quarrel over the British budget contribution and when a new momentum has sprung up in Europe towards closer economic and political collaboration.

M Delors is a long-time foot soldier of the European cause. A former chairman of the European Parliament's economic and monetary commission, the man to the French Government who did most to prevent France pulling out of the EMS in March 1963, and who as Minister of Finance during the six months in which France held the Presidency of the EEC has since fought hard to ensure the operation of the EMS. He comes to his new job with the enthusiasm of a militant crusader.

"I am a European by conviction and now through necessity," he said yesterday. He believes that on Europe's ability to work together and transform itself industrially and economically hangs its "survival or its decline."

For the British and West German governments who canvassed for M Delors' appointment, his immediate task is to bring Community's pending budget control. "Margaret (Thatcher) can count on me to master the Budget," he said jokingly yesterday. "If she can master her strikers." On a more serious note, he insists that Budget control must not be at the expense of industrial and social innovation. M Delors does not see his job as being simply Europe's accountant.

Though he subscribes to the goals of political union sketched out at the Fontainebleau summit last month, he believes that this is a long-term objective. The immediate priority is to strengthen economic and political collaboration. He can be expected to push hard for further opening up Europe's internal market.

He would like to see Britain join the EMS thus providing Europe with three reserve currencies in the DM, the franc and the pound. It would be better, he says, to work towards a strengthening of the EMS with Britain inside the system.

Howe blames Argentina for collapse of Berne talks

BY KEVIN BROWN IN LONDON AND ANTHONY McDERMOTT IN BERNE THE GOVERNMENT yesterday blamed a change of heart by Argentina for the collapse of talks on normalising relations between London and Buenos Aires, broken off after the Falklands War two years ago. "The Argentine Government brought the talks to an abrupt and premature end by failing to proceed upon the basis that had been clearly agreed," Sir Geoffrey Howe, the Foreign Secretary, told the Commons. "The talks were held in Berne and a statement issued after the 13 hours of abortive discussions, which broke up on Thursday night, indicated that a huge gap still remained between the two sides. The communiqué was drafted by Brazil, which looks after Argentina's interests in London, and Switzerland, which oversees Britain's interests in Buenos Aires. "The Argentine side," he says, "repeated that it was necessary to discuss... the establishment of a mechanism under which sovereignty over the islands could be undertaken." Britain, by contrast, "reaffirmed that Her Majesty's Government was not disposed to enter into discussions on the questions of sovereignty."

Gas privatisation Bill delayed

BY OUR POLITICAL EDITOR LEGISLATION to allow the privatisation of British Gas Corporation has been held up for at least a year, largely because of delaying tactics by Mr Peter Walker, the Energy Secretary, and Sir Denis Rooke, the British Gas chairman. An enabling Bill covering British Gas was pencilled in last year as one of the main measures for the coming 1984/1985 parliamentary session. However, this Bill has dropped off the list for November's Queen's Speech, now nearing completion. The Treasury has been pressing for increased competition in the areas covered by British Gas's operations, partly via the disposal of some of its activities.

IBM lifts stake in satellite venture

BY PAUL TAYLOR IN NEW YORK INTERNATIONAL Business Machines, the largest computer manufacturer, will acquire a controlling interest in Satellite Business Systems, the U.S. telecommunications company. Through an agreement announced yesterday, Comsat, the satellite communications company, is withdrawing from SBS, a joint venture with IBM and Acta Life and Casualty. IBM and Acta confirmed yesterday that they are holding discussions with other companies and are seeking a partner in place of Comsat. Comsat's move had been expected in view of SBS's continuing losses and heavy requirements of capital. Under the terms of a preliminary deal announced yesterday, IBM would acquire for an undisclosed sum 80 per cent of Comsat's 33.3 per cent interest in SBS, with Acta acquiring the rest of Comsat's stake. This will leave IBM with a 60 per cent stake.

CHIEF PRICE CHANGES YESTERDAY

Table with columns for RISERS and FALLS, listing various commodities and their price changes.

WORLDWIDE WEATHER

Table with columns for City, Wind, Rain, and Temperature for various global locations.

Ministers in united attack on Scargill

By Peter Riddell and John Lloyd THE GOVERNMENT yesterday appealed to miners to follow the dockers back to work, as senior ministers renewed their concerted attack on Mr Arthur Scargill, the NUM president. Mr Norman Tebbit, the Trade and Industry Secretary, argued in a speech in Dorset that the time had come for such a move. "If they will not return to work, the very least that should happen is for the National Coal Board to offer to be put to the ballot," he said. All the signs in Whitehall are that the Cabinet is now resigned to a long strike and is seeking to rally public opinion by isolating Mr Scargill and discrediting Mr Neil Kinnock, the Labour leader, in association with him. Mr Ian MacGregor, the NCB chairman, is known to be unhappy with this tactic. He believes, as do many of his officials, that attacks by a Conservative Cabinet on the NUM president will call forth loyalty from rank-and-file miners at a time when that loyalty might be severely strained.

Stock Exchange

The future shape of the London equity market has finally emerged this week from off the cluttered drawing boards of the Stock Exchange Council. The favoured plan, drawn up in the face of a plethora of conflicting proposals, has been cogently set out by the Council and will be built around a computerised market system. Many details of the plan remain to be settled; but its outline already leaves no doubt that the straight-forward broker-dealers, meanwhile, have seen off the suggestion that they should have to expose all orders to a market maker. Block trading business might well flourish alongside the trading activity of the committed market makers and the traditional agent's role should still be profitable for plenty of brokers.

GrandMet

cent market share. Much of its recent growth, however, has come from the highly successful introduction in the U.S. of unbranded "generic" cigarettes. Its profits before tax reached \$60m in the year to last September on sales of \$562m, contributing about 40 per cent of GrandMet's profits from consumer products in the U.S. at the time of the original announcement. Grand Metropolitan said it was seeking to sell the U.S. tobacco business to concentrate investment on other consumer products in the U.S. Grand Met's other non-tobacco interests include foods, pet foods, soft drinks, sporting goods and the Children's World Care Centres, which it acquired last year.

Continued from Page 1

decision to withdraw from the partnership despite "great confidence" in SBS's future. "This will also provide Acta and IBM greater flexibility, if they choose to seek new partners with financial resources and business interests that are compatible with the future course of SBS," Comsat said. No financial details of the plan were disclosed, though Comsat said the sale was likely to give it an after-tax gain of about \$15m. SBS has been undergoing a big review, including substantial job cuts, under Mr Stephen Schwartz, an IBM veteran who took over as president in January. A proposal for altering the equity could pose a serious dilemma for the U.S. Federal Communications Commission, which must rule on the deal.

Continued from Page 1

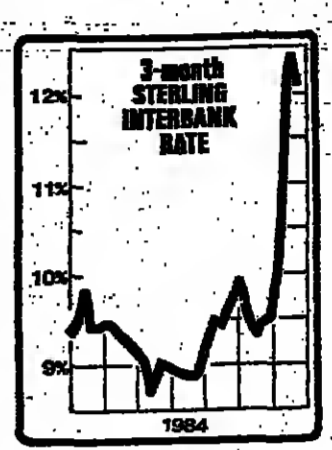
something "very close to a riot." He added: "We were very sad that we had to let our strikers down. But it was pressure from people in another section from-people which let us down." The NUS's executive committee has suspended its Sealink freight ban pending talks with the company's new owner, Sea Containers. Mr Jim Slater, the union's general secretary, said that any threat to jobs, services and agreements would be met with "resolute and determined industrial action" by all NUS members in Sealink ports.

THE LEX COLUMN

Two strikes but no sparks

The City's summer torpor must infuriate the senior partners of stockbroking firms—forced to look at the low volume of business available to support their fixed costs—but perhaps it has served a useful purpose this last week. Drowsy markets have at least avoided over-reacting, in either direction, to the dock strike and its resolution. So far as equities are concerned, the institutions' palate appeared fairly jaded yesterday. This was reasonable enough; although the dock strike was potentially far more damaging to the economy than trench warfare in the coalfields, its end simply allowed the markets' attention to drift back towards Mr Scargill. And while the threat of still higher bank interest rates had receded by the end of the week, the effects of earlier increases could still be seen hanging over the economy for months ahead.

Index rose 11.5 to 776.2



Several structural dilemmas have been cleverly addressed. The case for two or more tiers of stocks, ranked according to liquidity, has been persuasively rejected and the Council's reservations about a comprehensive ticker tape for last trade information are hard to fault. Although its indications are weak, a full tape should still be an eventual aim. Above all, the Council has managed to allow for sweeping reforms while leaving it up to commercial pressures in the marketplace to dictate the speed of change. In essence, the Council has provided growth opportunities both for market makers and for those broker-dealers restricting themselves to agency work and occasional principal business. Competition on roughly equal terms ought therefore to emerge as the main arbiter of which firms prosper and which do not. Arguably, the jobbing establishment has won for itself a less advantageous position than at one time seemed likely; but future market makers will have direct access to investors and some useful privileges to help them in this role.

Minet

More than 1,500 members of the Lloyd's insurance market have until Tuesday to make up their minds over a controversial \$33m offer from Minet Holdings. The deal—conditional on 100 per cent acceptance—is designed to compensate them for the loss of funds which Minet alleges to have been misappropriated by former executives of the group. The offer looked a tidy way out of a difficult problem. Members would be funded immediately for a set amount which might take years to recover in the courts. Yet as the offer remained open, more disadvantages than advantages appeared. There was a lack of precision over the amount of money which had gone missing; the loss of interest was not discussed in the offer document; the tax implications—all members face a hefty tax bill whether they accept the offer or not—were not spelled out. Conflicting interests were as usual at the root of the problem. Minet had asked the underwriting members to waive their legal rights, and assign them to another company in which Minet has an interest. This has raised the suspicion among some underwriting members that Minet is acting in the better interests of its shareholders rather than of the underwriting members. Lloyd's should now insist, and Minet should offer, that the affairs of the underwriting members affected by the problem are managed by an independent agency company, with an outside chairman and a boardroom and shareholding structure controlled by outsiders. The Howden affair offers a precedent. Underwriters should not accept the offer unless forced to do so by Lloyd's solvency requirements. Minet meanwhile should think of an alternative to its present unsatisfactory arrangements.

Hill Samuel International Currency Fund Limited advertisement featuring a globe and descriptive text about the fund.

Hill Samuel International Currency Fund Limited advertisement with contact information and a form for requesting prospectuses.